

PKRVO300730776

PC

DRC

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
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TREASURER

RECEIVED
MAR 24 2003
OIL CONSERVATION
DIVISION

March 19, 2003

New Mexico Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, N.M. 87505

To Whom It May Concern:

Re: Addition to Surface /Pool Commingling
Dated January 2, 2003
Cottonwood Ranch Penn, Pecos Slope Abo
Chaves County, New Mexico

Dear Sir or Madam,

Yates Petroleum Corporation respectfully requests administrative approval for addition of the Pecos Slope Abo Formation to the Cottonwood Ranch MK State #1 to the Surface and Pool commingling submitted January 2, 2003:

Cottonwood Ranch MK State #1
660' FNL & 1980' FWL (Unit C) 9712P
Section 36-T6S-R25E
Formation: Cottonwood Ranch Penn & Pecos Slope Abo
Chaves County, New Mexico
State Lease # L-4283

Cottonwood Ranch MK State #5
2160' FNL & 330' FEL (Unit H) P2730
Section 36-T6S-R25E
Formation: Pecos Slope Abo
Chaves County, New Mexico
State Lease # 4283
30-005-6314P

The production/sales from the #1 well for the Penn & Abo formations will be measured based off initial test percentage factors.

Attached is the certification by landman verifying identical ownership.

If you should have any questions, please give me a call at (505) 748-4213 (direct line).

Thank you for your cooperation

Sincerely,

Mayte Reyes

Mayte Reyes
Production Clerk

mr

Enclosure

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-005-60615
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. L-4283

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		7. Lease Name or Unit Agreement Name: Cottonwood Ranch MK State #1
2. Name of Operator Yates Petroleum Corporation	8. Well No. 1	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	9. Pool name or Wildcat Cottonwood Ranch Penn	
4. Well Location Unit Letter <u>B</u> <u>NENW</u> : <u>660'</u> feet from the <u>FNL</u> line and <u>1980'</u> feet from the <u>FEL</u> line Section <u>36</u> Township <u>6S</u> Range <u>25E</u> NMPM County		
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data			
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: Surface/Pool Commingle <input checked="" type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully requests administrative approval for addition of the Pecos Slope Abo Formation to the Cottonwood Ranch MK State #1 to the Surface and Pool commingling submitted January 2, 2003:

Cottonwood Ranch MK State #1
 660' FNL & 1980' FWL (Unit B)
 Section 36-T6S-R25E
 Formation: Cottonwood Ranch Penn & Pecos Slope Abo
 Chaves County, New Mexico
 State Lease # L-4283
 API # 30-005-60615

Cottonwood Ranch MK State #5
 2160' FNL & 330' FEL (Unit H)
 Section 36-T6S-R25E
 Formation: Pecos Slope Abo
 Chaves County, New Mexico
 Federal Lease # L-4283
 API # 30-005-63448

The production/sales from the #1 well for the Penn & Abo formations will be measured based off initial test percentage factors.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Mayte Reyes TITLE Production Secretary DATE March 19, 2003

Type or print name Mayte Reyes Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

STATUS

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CO - Company Pay Code
CP - Company Purchased Production
CT - Company Tax Partnership Interest
GC - City Government Interest
GI - Federal Government Interest
GS - State Government Interest

STATUS CONTINUED

=====

NP - Paid Direct
PA - Pay
SA - Unknown Address
SD - Suspense - Waiting on Division Order
SJ - Suspense - Delinquent JIB
ST - Suspense - Title Requirement

Property: YPC - Cottonwood Ranch "MK" State Lease
Wells 1-6
All Sec. 36, T6S-R25E, NMPM
Pecos Slope Abo
Cottonwood Ranch Penn
Chaves County, New Mexico

YATES PETROLEUM CORPORATION
Division of Interest
Effective: First Sales

OWNER NUMBER	OWNER NAME	INTER CO. #	BASIC INTEREST	TYPE	STATUS
192200	COMMISSIONER OF PUBLIC LANDS		0.1250000	RI	GS
392610	MCBRIDE OIL & GAS CORPORATION		0.0600000	ORI	PA
999900	YATES PETROLEUM CORPORATION		0.2037500	WI	CO
994100	YATES DRILLING COMPANY		0.2037500	WI	PA
005000	ABO PETROLEUM CORPORATION		0.2037500	WI	PA
640010	MYCO INDUSTRIES, INC.		0.2037500	WI	PA
			1.0000000		



Tammy R. Hughes
YATES PETROLEUM CORPORATION

3/19/03
Date