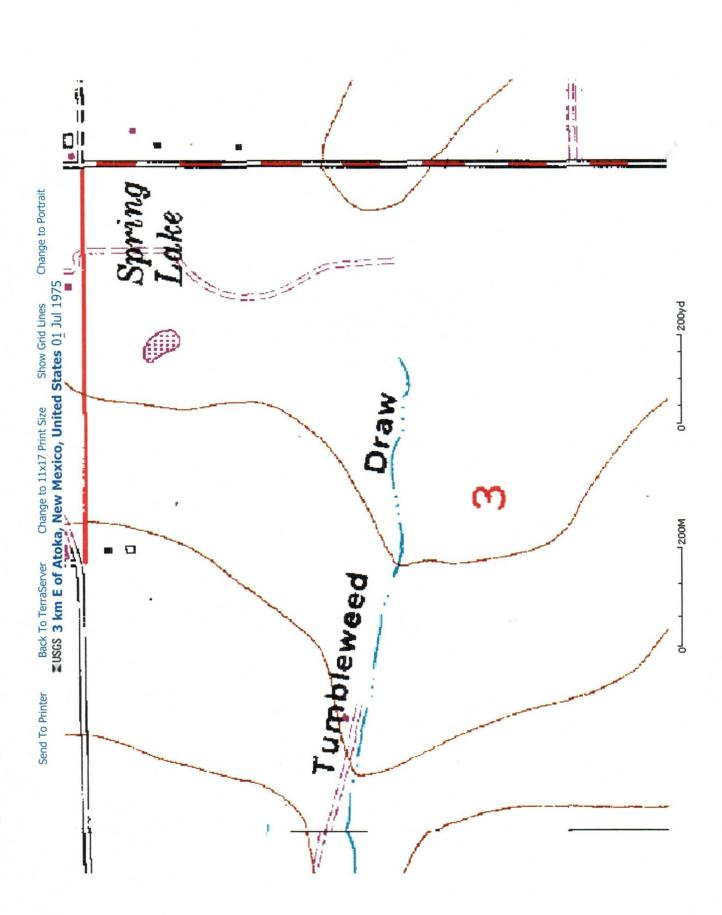


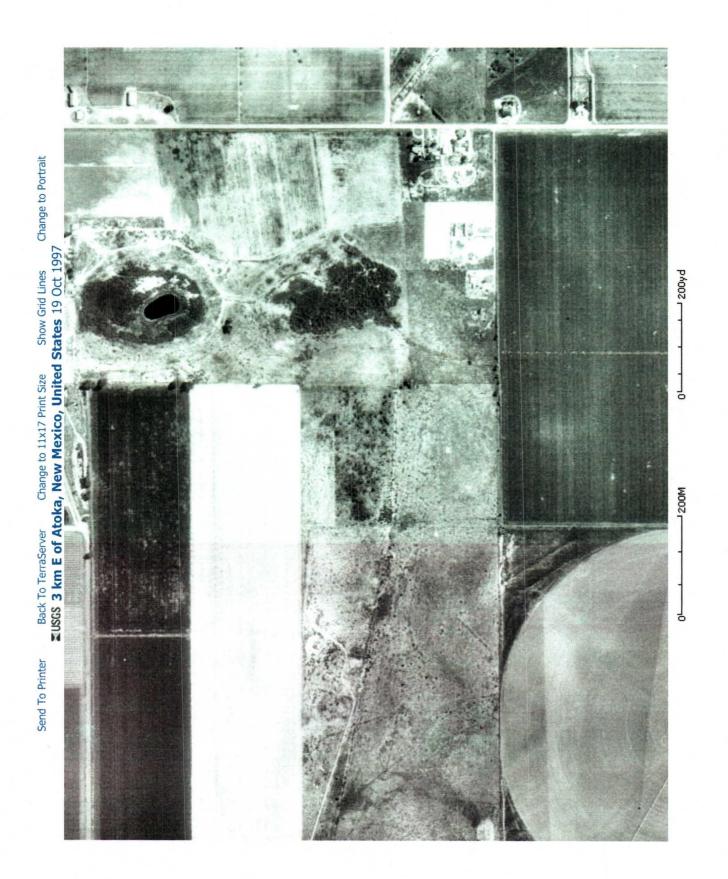


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TerraServer Image Courtesy of the USGS



Page: 1 Document Name: untitled PF01 CMD : PF07 Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) : Lease Type Dedicated Acre: 320.92 Lot Identifier: B.H. Locn GL Elevation: Well No Prop Idn OGRID Idn Pool Idn API Well No : OG6 I WCM HELP E6317: No more recs. for this api well no. ••• PF02 PF08 001 3322 30 15 33448 70800 ATOKA; PENN 34029 AGNES BEB COM 25575 YATES PETROLEUM CORPORATION ы N U/L Sec 1 ω 18S Township Range North/South PF09 PF03 EXIT INQUIRE WELL COMPLETIONS Eff Date : 06-09-2004 26E ONGARD PF04 GoTo PF10 NEXT-WC PF11 HISTORY PF12 NXTREC FTG 1200 F N FTG 1800 F E PF05 WC Status : N East/West 06/24/04 08:06:49 PF06 Prop/Act (P/A) OGOMES - TPSZ Ы

Date: 6/24/2004 Time: 08:07:23 AM



## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON Governor

> Yates Petroleum Corporation c/o Holland & Hart L.L.P. P. O. Box 2208 Santa Fe, New Mexico 87504-2208

Attention: William F. Carr

March 30, 2004

Joanna Prukop Cabinet Secretary Acting Director Oil Conservation Division

Administrative Order NSL-5030

Dear Mr. Carr:

Reference is made to the following: (i) your application on behalf of the operator, Yates Petroleum Corporation ("Yates"), dated March 17, 2004 (*administrative application reference No. pMES0-407855909*); and (ii) the Division's records in Santa Fe and Artesia: all concerning Yates's request for an unorthodox Pennsylvanian gas well location for its proposed Agnes "BEB" Com. Well No. 1 to be drilled 1200 feet from the North line and 1800 feet from the East line (Lot 2/Unit B) of Section 3, Township 18 South, Range 26 East, NMPM, Atoka-Pennsylvanian (Prorated) Gas Pool (70800), Eddy County, New Mexico.

Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of Section 3 is to be dedicated to this well in order to form a standard 320.92-acre lay-down gas spacing and proration unit for the Atoka-Pennsylvanian (Prorated) Gas Pool.

This application has been duly filed under the provisions of: (i) Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999; (ii) Division Rule 605; and (iii) the "Special Rules and Regulations for the Atoka-Pennsylvanian Gas Pool", as promulgated by Division Order No. R-8170, as amended.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed location will be at a more favorable geologic position within the Middle Morrow sand channel than a well drilled at a location considered to be standard within the proposed 320.92-acre unit.

By authority granted me under the provisions of Division Rules 605.B (2) (b) and 104.F (2) and the applicable provisions of the special pool rules governing the Atoka-Pennsylvanian Gas Pool, the above-described unorthodox gas well location is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division deems necessary.

Sincerely,

Michael E. Stogner Engineer/Hearing Officer

MES/ms cc: New Mexico Oil Conservation Division - Artesia

Submit 3 Copies to Appropriate District	Enero	State of N y, Minerals a				Rev	Form C vised March 25	
<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 811 South First, Artesia, NM 88210	-	CONSERVA			WELL API I 	015-3344	র্ষ	
<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410		2040 South			S. Indicate I			
District IV 2040 South Pacheco, Santa Fe, NM 87505		Santa Fe,	, NM 8750	05	6. State Oil	& Gas Lease No.		
SUNDRY NOTIC	ES AND	REPORTS	ON WEI	LLS	7. Lease Nar	ne or Unit Agreem	ent Name:	
(DO NOT USE THIS FORM FOR PROD DIFFERENT RESERVOIR. USE "APP PROPOSALS.) 1. Type of Well: Oil Well Gas Well	LICATION		FORM C-101		Agnes BEB	Com.		
2. Name of Operator	<b></b>		JUN	0 3 2004	8. Well No.	<u></u>		
Yates Petroleum Corporation				ARTESIA-		1		
3. Address of Operator			000-	ANTESIA	9. Pool name	e or Wildcat		
105 South Fourth Street, Artesia	, New Mer	cico 88210			Wildcat Mo	rrow		
4. Well Location				1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1				
Unit Letter: <u>B</u> : <u>13</u>	00'	feet from the	North	line and	1875'	_feet from the	East	line
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12. Describe proposed or complet of starting any proposed wo or recompletion.	- Sec 🗖	• . •	-	÷	•			

Change of location from 1200' FNL and 1800' FEL to 1300' FNL and 1875' FEL. See attached C-102. Thank you.

SIGNATURE G GWA TITLE	Regulatory Agent DAT	°E06/03/04
Type or print name by Cowan	Telephone N	<b>o.</b> (505) 748-1471
(This space for State use)	Pritict Supervisor	
APPROVED BY // TITLE	DAT	
Conditions of approval, if any: Orig NSC- 5030. C Drill Only	Amended NSL required To pr	oduce.

DISTRICT 1 1685 1. Prench Dr., Hobbs, 101 68240 DISTRICT II 811 South First, Artesia, NM 88216 DISTRICT-III 1000 Rio Brasse Rd., Asteo, NM 87410 DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

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## State of New Mexico

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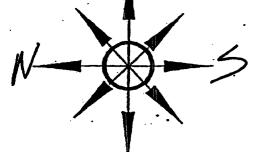
## OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe, New Mexico 87504-2088

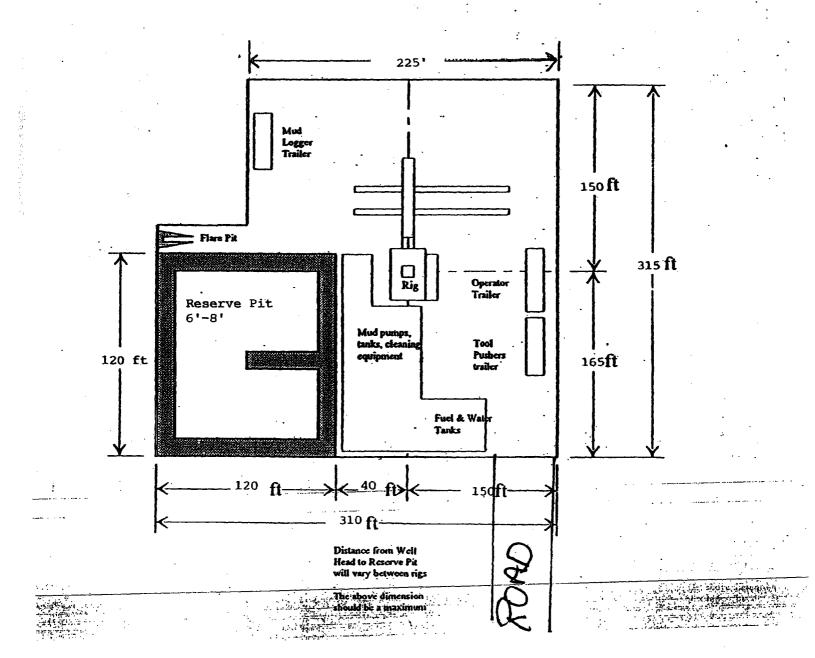
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## Yates Drilling Company Location Layout for Permian Basin Up to 12,000'



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