

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

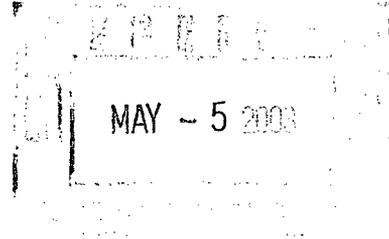


105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
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April 30, 2003

David Catanach
State of New Mexico
OIL CONSERVATION DIVISION
1220 South Saint Francis Drive
Santa Fe, NM 87505



Re: **DHC-3131**
Purple Gosling BBD State #1
API No. 30-015-32469
Unit M, Section 2, Township 16 South, Range 28 East
Eddy County, New Mexico
Diamond Mound-Morrow (Gas 76079), and
Wildcat-Atoka (Gas) Pools

Dear Mr. Catanach,

Yates Petroleum Corporation received administrative approval to Downhole Commingle the above referenced well on April 8, 2003. At the time we had not completed the well and no test were available. Please find enclosed the Production Rates and the fixed Allocation Percentage for the commingled zones.

If you have any questions or need additional information, please call me at (505) 748-4129. Thank you.

Sincerely,

Cherry Matchus
Engineering Technician

CM/JMH

Enclosures

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210

Operator Purple Gosling BBD State 1 M 2 16S 28E Eddy
Address

Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 025575 Property Code API No. 30-015-32469 Lease Type: Federal State Fee

AMENDED To Show Production Rates & Fixed Allocation Percentages

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Atoka		Diamond Mound Morrow
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	9098-9190		9246-9346
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	N/A		N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	N/A		N/A
Producing, Shut-In or New Zone	New Zone		New Zone
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 4/18/03 Rates: 1829 mcf/d .2 bopd 1.8 bwpd	Date: Rates:	Date: 4/25/03 Rates: 255 mcf/d 0 bopd 0 bwpd
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil 100% Gas 88%	Oil % Gas %	Oil 0% Gas 12%

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data: _____

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

SIGNATURE James M. Hill TITLE Operations Engineer DATE: April 30, 2003
TYPE OR PRINT NAME James M. Hill TELEPHONE NO. (505) 748-4129