

DATE IN 3/26/2015	SUSPENSE	ENGINEER MAM	LOGGED IN 3/27/2015	TYPE CTB	APP NO. DMA41508629936
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☒ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Miriam Morales
 Print or Type Name

Signature

Production Analyst
 Title

3/23/15
 Date

mmorales@yatespetroleum.com
 e-mail Address

- CTB 750
 - Yates Petroleum Corporation
 25575
 3/23/15
 30-025-26305
 - TRUCKER BUNK
 STATE 14
 30-025-41972
 - TRUCKER BUNK
 STATE 24
 30-025-41972
 Pool
 - BEULAKE
 BOWESPRING

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Yates Petroleum Corporation
OPERATOR ADDRESS: 105 South Fourth St. Artesia, NM 88210
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. Bell lake; Bone Spring #5130
(2) Is all production from same source of supply? ☒ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Miriam Morales TITLE: Production Analyst DATE: 3/25/15

TYPE OR PRINT NAME Miriam Morales TELEPHONE NO.: (575) 748-1471

E-MAIL ADDRESS: mmorales@yatespetroleum.com

Submit 1 Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

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.)		WELL API NO. 30-025-41972
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-1819
3. Address of Operator 105 S. Fourth Street Artesia, NM 88210		7. Lease Name or Unit Agreement Name Trucker BRK State
4. Well Location Unit Letter <u>M</u> : <u>575</u> feet from the <u>S</u> line and <u>200</u> feet from the <u>W</u> line Section <u>2</u> Township <u>24S</u> Range <u>33E</u> NMPM <u>Lea</u> County		8. Well Number <u>2H</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3615' GR		9. OGRID Number <u>025575</u>
		10. Pool name or Wildcat Bell Lake; Bone Spring

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Surface Lease Commingle ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum respectfully requests administrative approval to surface lease commingle oil & gas production for the following wells:

Trucker BRK State #1H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-26309
St. Lease # VB-1819
Lea County, NM

Trucker BRK State #2H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-41972
St. Lease # VB-1819
Lea County, NM

The battery is located at the Trucker BRK State #1H. Please see attached site security diagram.
The ownership is diversified. All owners have been notified and copies of certified receipts and letters are attached.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the Trucker #1H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Trucker #1H is 36 bbls and for the Trucker #2H is 276 bbls.

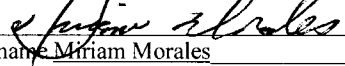
Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings.
The Agave's CDP meter #104199 is located at the Trucker #1H.

Estimated daily gas production for the Trucker #1H is 91 MCF and for the Trucker #2H is 360 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

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

SIGNATURE  TITLE Production Analyst DATE 3/23/15
Type or print name Miriam Morales E-mail address: mmorales@yatespetroleum.com PHONE: 575-748-4200
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

01 HORBS OCD

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Revised August 1, 2011

Submit one copy to appropriate

District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-26309		² Pool Code 5130	³ Pool Name Bell Lake; Bone Spring	
⁴ Property Code 39010	⁵ Property Name Trucker BRK State			⁶ Well Number 1H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3615'GR

¹⁰ Surface Location

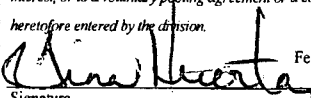
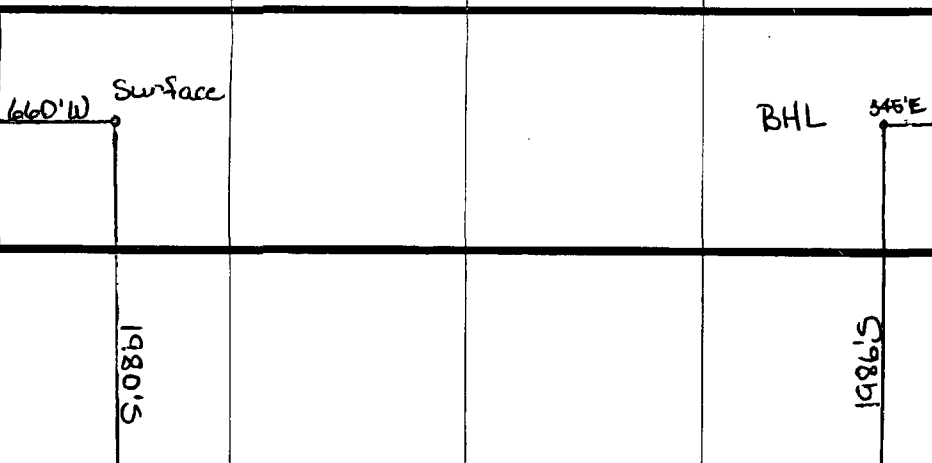
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	2	24S	33E		1980	South	660	West	Lea

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	2	24S	33E	108 3023	108	South	345 4927	East 11)	Lea

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16			<p style="text-align: center;">17 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">  <p>Signature</p> </div> <div style="width: 35%;"> <p>February 15, 2013</p> <p>Date</p> </div> </div> <p>Tina Huerta Printed Name</p> <p>tinah@vatespetroleum.com E-mail Address</p>
	<p style="text-align: center;">"SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>		

MAR 07 2013

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 746-1263 Fax: (575) 746-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3400 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBS OCD

Form C-102
Revised August 1, 2011

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

AUG 07 2014

Submit one copy to appropriate
District Office

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-41912	Pool Code 5130	Pool Name Bell Lake; Bone Spring
Property Code 39010	Property Name TRUCKER BRK STATE	Well Number 2H
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3606

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	2	24 S	33 E		575	SOUTH	200	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	24 S	33 E		400	SOUTH	230	EAST	LEA

Dedicated Acres 160.00	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N: 456975.9 E: 782979.3 (NAD-83)	N: 456992.8 E: 785617.6 (NAD-83)	N: 457008.2 E: 788255.8 (NAD-83)
--	--	--

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Ysenia Navarrette 7-14-14
Signature Date
Ysenia Navarrette
Printed Name
ynavarrette@yatespetroleum.com
Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date Surveyed
Signature of Professional Surveyor
Certificate No. 7977
BASIN SURVEYS

Penetration Point:
564' FSL & 694' FWL

SURFACE LOCATION
Lat ~ N 32°14'27.25"
Long ~ W 103°33'03.58"
NMSPC- N 452255.0
E 783219.8
(NAD-83)

PROPOSED BOTTOM HOLE LOCATION
Lat ~ N 32°14'25.77"
Long ~ W 103°32'07.33"
NMSPC- N 452141.0
E 788052.2
(NAD-83)

N: 453002.2
E: 783013.5
(NAD-83)

N: 453017.6
E: 784329.4
(NAD-83)

N: 453048.3
E: 786961.3
(NAD-83)

N: 453063.7
E: 788277.0
(NAD-83)

N: 451677.6
E: 783024.9
(NAD-83)

N: 451744.0
E: 788284.4
(NAD-83)

200'
575'
400'

0' 500' 1000' 1500' 2000'

SCALE: 1" = 1000'
WO Num.: 30549

AUG 11 2014



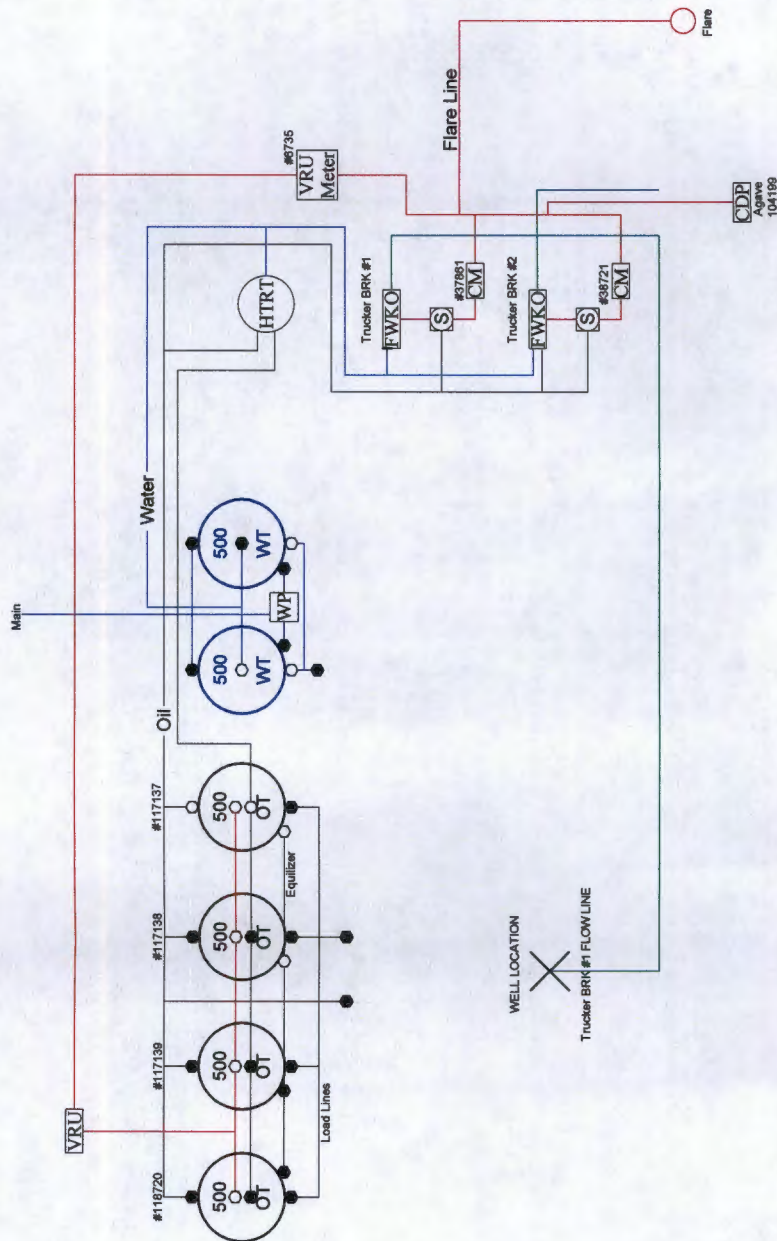
105 South 4th Street • Artesia, NM 88210
 (505) 748-1471
 -Aaron Bishop
 -March, 2015

Trucker BRK State #1

1980' FSL & 660' FWL * Sec 2 - T24S-R33E* Unit L
 Lea County, NM
 API - 3002526309



- = Valve Closed
- = Valve Opened
- CDP = Central Delivery Point
- FWKO = Free Water Knock Out
- S = Separator
- VRU = Vapor Recovery Unit
- HTRT = Heater Treater
- WT = Water Pump
- CM = Check Meter
- CDP = Central Delivery Point



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan
 which is on file at 105 South 4th Street, Artesia, NM

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

JOHN A. YATES
CHAIRMAN EMERITUS

JOHN A. YATES JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

RE: Surface Lease Commingle
Trucker BRK State #2H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an application to Surface lease commingle oil & gas for the following wells:

Trucker BRK State #1H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-26309
St. Lease # VB-1819
Lea County, NM

Trucker BRK State #2H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-41972
St. Lease # VB-1819
Lea County, NM

The battery is located at the Trucker BRK State #1H.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the Trucker #1H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Trucker #1H is 36 bbls and for the Trucker #2H is 276 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #104199 is located at the Trucker #1H.

Estimated daily gas production for the Trucker #1H is 91 MCF and for the Trucker #2H is 360 MCF.

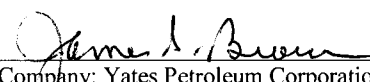
The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application


Company: Yates Petroleum Corporation

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

MARTIN YATES, III
1912-1985

FRANK W. YATES
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Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application


Company: MYCO Industries, Inc.

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

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1912-1985

FRANK W. YATES
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Trucker BRK State #2H
Lea County, New Mexico

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Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application


Company: SHARBRO Energy LLC

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

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CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

RE: Surface Lease Commingle
Trucker BRK State #2H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an application to Surface lease commingle oil & gas for the following wells:

Trucker BRK State #1H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-26309
St. Lease # VB-1819
Lea County, NM

Trucker BRK State #2H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-41972
St. Lease # VB-1819
Lea County, NM

The battery is located at the Trucker BRK State #1H.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the Trucker #1H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Trucker #1H is 36 bbls and for the Trucker #2H is 276 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #104199 is located at the Trucker #1H.

Estimated daily gas production for the Trucker #1H is 91 MCF and for the Trucker #2H is 360 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

I hereby approve this application

Company: ABO Petroleum Corporation

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

MARTIN YATES, III
1912-1985

FRANK W. YATES
1936-1986

S.P. YATES
1914-2008



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

JOHN A. YATES
CHAIRMAN EMERITUS

JOHN A. YATES JR.
CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI
EXECUTIVE VICE PRESIDENT
CHIEF FINANCIAL OFFICER

JAMES S. BROWN
CHIEF OPERATING OFFICER

March 23, 2015

RE: Surface Lease Commingle
Trucker BRK State #2H
Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is requesting approval from the Oil Conservation Division and the State Land Office to Surface lease commingle oil & gas production for the following wells:

Trucker BRK State #1H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-26309
St. Lease # VB-1819
Lea County, NM

Trucker BRK State #2H
Bell Lake; Bone Spring
Sec. 2-T24S-R33E
API #30-025-41972
St. Lease # VB-1819
Lea County, NM

The battery is located at the Trucker BRK State #1H.
The ownership is diversified.

Oil Measurement

Each of these wells will be equipped with continuously metering separators for oil production prior to oil being commingled for sales at the Trucker #1H. Total sales/production will be allocated back to each individual well using the metered (daily well tests) volumes. Metered volumes will be compared to totals battery volumes daily and monthly for accuracy. Any vapor recovery gas shall be included in this application.

Estimated daily oil production for the Trucker #1H is 36 bbls and for the Trucker #2H is 276 bbls.

Gas Measurement

Total gas production and sales/transferred will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's CDP meter #104199 is located at the Trucker #1H.

Estimated daily gas production for the Trucker #1H is 91 MCF and for the Trucker #2H is 360 MCF.

The purpose of the Surface Lease Commingle is in the interest of conservation, the reduction of environmental impact area, and overall emissions. It will not result in reduced royalty or improper measurement of production. Without approval for utilizing the same battery, it will become necessary to build separate facilities for each well.

Any objection must be filed in writing with the Oil Conservation Division in Santa Fe within 20 days from the date the division receives the application. Application will be sent in conjunction with notification to owners.

If you have any questions, please contact me at (575)748-4200 (direct line)

Sincerely,

Miriam Morales
Production Analyst

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

CERTIFIED MAIL™

YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210



7014 0510 0001 0743 9233

7014 0510 0001 0743 9233

ADDRESS SERVICE REQUESTED

U.S. Postal Service™ CERTIFIED MAIL™ RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
Sent To OXY Y-1 Street, Apt. No., or PO Box No. P.O. Box 841803 City, State, ZIP+4® Dallas TX 75284	
PS Form 3800, August 2006 See Reverse for Instructions	

OXY Y-1 COMPANY
P O BOX 841803
DALLAS, TX 75284-1803

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

OXY Y-1 COMPANY
P O BOX 841803
DALLAS, TX 75284-1803

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ YesIf YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail® ☐ Priority Mail Express™☐ Registered☐ Return Receipt for Merchandise☐ Insured Mail☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number
(Transfer from se

7014 0510 0001 0743 9233

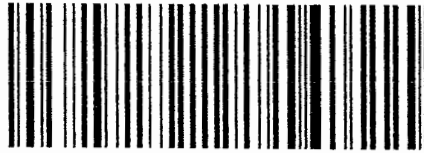
PS Form 3811, July 2013

Domestic Return Receipt

CERTIFIED MAIL™

YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS SERVICE REQUESTED



7014 0510 0001 0743 9240

7014 0510 0001 0743 9240

Sent to
Street, Apt. No.
or PO Box No.
City, State, ZIP+4
PS Form 3800, August 2006 See Reverse for Instructions

Yates Industries, LLC
P O Box 1091
Artesia NM 88211

Total Postage & Fees \$

Postage \$

Certified Fee

Return Receipt Fee (Endorsement Required)

Restricted Delivery Fee (Endorsement Required)

Postmark
Here

**U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

Trucker #2
CIB
3/13/15
Almanac
100

YATES INDUSTRIES LLC
P O BOX 1091
ARTESIA, NM 88211-1091

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

YATES INDUSTRIES LLC
P O BOX 1091
ARTESIA, NM 88211-1091

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

- ☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

- ☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number
(Transfer from ser

7014 0510 0001 0743 9240



YATES BUILDING - 105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

ADDRESS SERVICE REQUESTED

Sent to
Street, Apt. No.
or P.O. Box No.
City, State, ZIP+4
PS Form 3800, August 2006 See Reverse for Instructions

310 Old Santa Fe Trail
Santa Fe, NM 87504

Postage \$
Certified Fee
Return Receipt Fee (Endorsement Required)
Restricted Delivery Fee (Endorsement Required)
Total Postage & Fees \$

Postmark
Here

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information visit our website at www.usps.com

Trucker 2 Q13 A 3/23/15 Santa Fe

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, New Mexico 87504-114

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

New Mexico State Land Office
Commissioner of Public Lands
310 Old Santa Fe Trail
P.O. Box 1148
Santa Fe, New Mexico 87504-1148

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
☒ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail® ☐ Priority Mail Express™
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ Collect on Delivery

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number 7014 0510 0001 0743 9264
(Transfer from st)

Prod History - Monthly by DelSys and Well Comp - Whole

Property Type Header Code	Property Name	Days Up	Oil Beg Inv	Oil End Inv	Oil Production	Oil Sales	Oil Uses	Gas Production	Gas Sales	Gas Sales MMBTU	Gas Uses	Water Production	Water Uses	Water Injection
Delivery System: DS01863 TRUCKER BRK DelSys														
11/30/2014														
WellComp	TRUCKER BRK STATE #2H	30	0.00	0.00	0.00	0.00	0.00	56.00	56.00	73.64	0.00	0.00	0.00	0.00
Total:			0.00	0.00	0.00	0.00	0.00	56.00	56.00	73.64	0.00	0.00	0.00	0.00
12/31/2014														
WellComp	TRUCKER BRK STATE #2H	31	0.00	1,522.00	9,725.00	8,203.00	0.00	10,657.00	10,657.00	13,952.81	0.00	9,611.00	9,611.00	0.00
Total:			0.00	1,522.00	9,725.00	8,203.00	0.00	10,657.00	10,657.00	13,952.81	0.00	9,611.00	9,611.00	0.00
1/31/2015														
WellComp	TRUCKER BRK STATE #2H	31	1,522.00	853.00	9,377.00	9,972.00	0.00	11,223.00	11,223.00	14,173.88	0.00	8,112.00	8,112.00	0.00
WellComp	TRUCKER BRK STATE #2H	31	0.00	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WellComp	TRUCKER BRK STATE #2H	31	0.00	0.00	0.00	0.00	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WellComp	TRUCKER BRK STATE #2H	31	0.00	0.00	0.00	0.00	35.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total:			1,522.00	853.00	9,377.00	9,972.00	74.00	11,223.00	11,223.00	14,173.88	0.00	8,112.00	8,112.00	0.00
TRUCKER BRK DelSys														
New Mexico														
Total:			1,522.00	2,375.00	19,102.00	18,175.00	74.00	21,936.00	21,936.00	28,200.33	0.00	17,723.00	17,723.00	0.00
Report Total:			1,522.00	2,375.00	19,102.00	18,175.00	74.00	21,936.00	21,936.00	28,200.33	0.00	17,723.00	17,723.00	0.00

Production Date Equals 9/30/2014 12:00:00 AM
AND 1/31/2015 12:00:00 AM
State In List 'New Mexico'
Well Equals 004551 TRUCKER BRK STATE #2H

Prod History - Monthly by Delsys and Well Comp - Whole

Property Type	Property Header	Days Up	Oil Beg Inv	Oil End Inv	Oil Production	Oil Sales	Oil Uses	Gas Production	Gas Sales	Gas Sales MMBTU	Gas Uses	Water Production	Water Uses	Water Injection
New Mexico														
Delivery System: DS01863			TRUCKER BRK Delsys											
9/30/2014														
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	30	724.00	655.00	665.00	734.00	0.00	1,246.00	1,246.00	1,636.00	0.00	1,261.00	1,261.00	0.00
	Total:		724.00	655.00	665.00	734.00	0.00	1,246.00	1,246.00	1,636.00	0.00	1,261.00	1,261.00	0.00
10/31/2014														
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	29	655.00	662.00	1,512.00	1,495.00	0.00	2,329.00	2,329.00	3,059.00	0.00	2,386.00	2,386.00	0.00
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	29	0.00	0.00	0.00	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total:		655.00	662.00	1,512.00	1,495.00	10.00	2,329.00	2,329.00	3,059.00	0.00	2,386.00	2,386.00	0.00
11/30/2014														
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	30	662.00	794.00	2,017.00	1,885.00	0.00	3,137.00	3,137.00	4,118.36	0.00	11,961.00	11,961.00	0.00
	Total:		662.00	794.00	2,017.00	1,885.00	0.00	3,137.00	3,137.00	4,118.36	0.00	11,961.00	11,961.00	0.00
12/31/2014														
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	31	794.00	234.00	705.00	1,265.00	0.00	3,736.00	3,736.00	4,891.19	0.00	1,300.00	1,300.00	0.00
	Total:		794.00	234.00	705.00	1,265.00	0.00	3,736.00	3,736.00	4,891.19	0.00	1,300.00	1,300.00	0.00
1/31/2015														
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	31	234.00	43.00	324.00	511.00	0.00	1,057.00	1,057.00	1,335.12	0.00	381.00	381.00	0.00
WellComp	TRUCKER BRK STATE #1H/BONE SPRING	31	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total:		234.00	43.00	324.00	511.00	2.00	1,057.00	1,057.00	1,335.12	0.00	381.00	381.00	0.00
TRUCKER BRK Delsys														
New Mexico														
	Total:		3,069.00	2,388.00	5,223.00	5,890.00	12.00	11,505.00	11,505.00	15,039.67	0.00	17,289.00	17,289.00	0.00
	Total:		3,069.00	2,388.00	5,223.00	5,890.00	12.00	11,505.00	11,505.00	15,039.67	0.00	17,289.00	17,289.00	0.00
	Report Total:		3,069.00	2,388.00	5,223.00	5,890.00	12.00	11,505.00	11,505.00	15,039.67	0.00	17,289.00	17,289.00	0.00

Production Date Equals 9/30/2014 12:00:00 AM
 AND 1/31/2015 12:00:00 AM
 State In List 'New Mexico'
 Well Equals 004550 TRUCKER BRK STATE #1H