ABOVE THIS LINE FOR DIVISION USE ONLY

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

2017 MAY 13 P 2: 26



ADMINISTRATIVE APPLICATION CHECKLIST

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

11	HIS CHECKLIST IS M	ANDATORY FOR ALL ADMINISTRAT WHICH REQUIRE PROC	ESSING AT THE DIVISION		ILES AND REGULATIONS
Applic	[DHC-Dow	s: ndard Location] [NSP-Non-S nhole Commingling] [CTB ol Commingling] [OLS - O [WFX-Waterflood Expansion	Standard Proration -Lease Comminglin ff-Lease Storage] -] [PMX-Pressure	Unit] [SD-Simultaneous g] [PLC-Pool/Lease C [OLM-Off-Lease Measi Maintenance Expansio	ommingling] urement]
	[EOR-Qua	SWD-Salt Water Dispo lified Enhanced Oil Recover		-	n Response}
[1]	TYPE OF AF	PLICATION - Check Those Location - Spacing Unit - S NSL NSP	Simultaneous Dedica	-	30-025-4089 Hemlark BSH
	Check [B]	One Only for [B] or [C] Commingling - Storage - M DHC CTB		OLS OLM	30-025-4089 Hemlock BSH State #2H Yotes Petroleum
	[C]	Injection - Disposal - Press WFX PMX	ure Increase - Enhan] SWD [] IPI	iced Oil Recovery EOR PPR	
	[D]	Other: Specify	Amend exist	ing order PLC	- 358-A
[2]	NOTIFICAT [A]	ION REQUIRED TO: - Che Working, Royalty or C	-		oly
	[B]	Offset Operators, Leas	seholders or Surface	Owner	
	[C]	Application is One W	hich Requires Publis	shed Legal Notice	
•	[D]	Notification and/or Co	oncurrent Approval t - Commissioner of Public Land	by BLM or SLO ds, State Land Office	
	[E]	For all of the above, P	roof of Notification	or Publication is Attache	ed, and/or,
	[F]	Waivers are Attached			
[3]		CURATE AND COMPLETATION INDICATED ABOV		N REQUIRED TO PR	OCESS THE TYPE
	/al is <mark>accurate</mark> a	FION: I hereby certify that to a complete to the best of magnification and notification.	y knowledge. I also	understand that no actio	
	Note	Statement must be completed by	_	agerial and/or supervisory c	apacity.
Miriam I		& Suin ?	logles	Production Analyst	5A13
Print o	r Type Name	Signature		Title mmorales@yatespetroleu	Date m.com
				e-mail Address	

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

E-MAIL ADDRESS: <u>mmorales@vatespetrolem.com</u>

1220 S. St Francis Dr, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

RECEIVE 1220-Set Francis Drive

Santa Fe, New Mexico 87505

7013 MAY 13 P 2: 2:

Form C-107-B Revised June 10, 2003

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

APPLICATION I	FOR SURFACE (COMMINGLING	(DIVERSE	OWNERSHIP)	
OPERATOR NAME: Yates Pet	roleum Corporation				
	h Fourth St. Artesia, N	M 88210			
APPLICATION TYPE:					
☐ Pool Commingling ☐ Lease Comminglin	g ⊠Pool and Lease Coi	mmingling	Storage and Measur	rement (Only if not Surface	e Commingled)
	State Fede				
Is this an Amendment to existing Order Have the Bureau of Land Management ☐ Yes ☐ No	?	"Yes", please include of street SLO been no	the appropriate C tified in writing o	Order NoPLC-358- of the proposed comm	<u>A</u> ingling
		L COMMINGLIN s with the following in			
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Triple X; Bone Spring 59900	43.0/1450				
Brinninstool; Delaware 96193	35.4/1390	41.1/1438			
			r		
(3) Has all interest owners been notified b (4) Measurement type: Metering [(5) Will commingling decrease the value of	Other (Specify)			ing should be approved	
	, ,	SE COMMINGLIN s with the following in		<u> </u>	
 Pool Name and Code. Is all production from same source of section. Has all interest owners been notified by Measurement type: Metering 	supply? Yes N	o	□Yes □N	σ	
	• /	LEASE COMMIN		. <u> </u>	
(1) Complete Sections A and E.	Please attach sheet	s with the following in	ntormation		
(I)) OFF-LEASE ST	ORAGE and MEA	SUREMENT		
\		ets with the follow <u>ing</u>			
(1) Is all production from same source of (2) Include proof of notice to all interest of		0			
(F) AI	DITIONAL INFO	RMATION (for all	application to	vnes)	
(E) AI		s with the following in		, hea)	
 A schematic diagram of facility, included A plat with lease boundaries showing Lease Names, Lease and Well Number 	all well and facility locati	ons. Include lease number	ers if Federal or Sta	ate lands are involved.	
I hereby certify that the information above is				1	
SIGNATURE: A lumin d	Greles TI	TLE:_Production_Analys	st	DATE:_ 5	9/13
TYPE OR PRINT NAME Miriam Morales	<u> </u>		TEL	EPHONE NO.: <u>(575)</u> 74	18-1471

Submit I Copy To Appropriate District Office	State of New Mexico y, Minerals and Natural Resources	Form C-103 Revised August 1, 2011
1625 N. French Dr., Hobbs, NM 88240	y, iviliterais and ivalural resources	WELL API NO.
011 5, 1131 51., 7410314, 1111 60210	CONSERVATION DIVISION	30-025-40891 5. Indicate Type of Lease
District III - (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410 PECEIVEI District IV - (505) 476-3460	1220 South St. Francis Dr.	STATE STATE FEE
District IV = (505) 476-3460 [1] U = I Y = 1 1220 S. St. Francis Dr., Santa Fe, NM 87505	J Sallya, re, INIVI 87303	6. State Oil & Gas Lease No. VB-1169
SUNDRY NOTICES AND (DO NOT USE THIS FORM FOR PROPOSALS TO DRIL		7. Lease Name or Unit Agreement Name
DIFFERENT RESERVOIR. USE "APPLICATION FOR P		Hemlock BSH State
PROPOSALS.) 1. Type of Well: Oil Well Gas Well	Other	8. Well Number 2H
2. Name of Operator		9. OGRID Number 025575
Yates Petroleum Corporation 3. Address of Operator		10. Pool name or Wildcat
105 S. Fourth Street Artesia, NM 88210		Triple X; Bone Spring
4. Well Location		
		from the <u>W</u> line
Fig. 1 Section (Constitution Constitution Co	rnship 23S Range 33E ion (Show whether DR, RKB, RT, GR, etc.)	NMPM County Lea
in the same of the	3667' GR	The state of the s
12. Check Appropriate	Box to Indicate Nature of Notice,	Report or Other Data
NOTICE OF INTENTION	TTO: SUB	SEQUENT REPORT OF:
	DABANDON ☐ REMEDIAL WORK	
TEMPORARILY ABANDON CHANGE	_	-
PULL OR ALTER CASING MULTIPLE	COMPL CASING/CEMENT	JOB 🗆
DOWNHOLE COMMINGLE		
OTHER: Amend PLC-358-A to include oil & ad		
 Describe proposed or completed operations. any proposed work). SEE RULE 19.15.7.14 	(Clearly state all pertinent details, and give per NMAC. For Multiple Completions: Attach w	
recompletion.	• •	
Yates Petroleum respectfully requests administrative approx commingle as follows:	val to amend PLC-358-A previously approved on 3/22/1.	3. This request consists of the addition of oil and gas
	battery located at Sec. 32-T23S-R33E- ownership diver	
Yarrow 1, 2, 3H, 4H & 5H oil commingled at the Ya Gas from all the wells to be commingled at CDP- ow	urrow battery located at Sec. 32-T23S-R33E- diverse poor nership/pools diversified	ls, same ownership
Please see attached list of all wells and site facility diagrams.		
All owners have been notified and copies of certified receipts and	l letters are attached.	
Oil Measurement Each of these wells will be equipped with continuously metering:	separators for all production prior to all being commingle	od for sales at the hatteny. Total sales/production will be
allocated back to each individual well using the metered (daily we		
vapor recovery gas shall be included in this application.	with a survivor of 42 0 and fourth Hambal, #211 in 200 bbl	L
Estimated daily oil production for the Hemlock #1H is 250 bbls w		
Estimated daily oil production for the Yarrow #1 is marginal, 0-3	bols with gravity of 35.4 and for the Yarrow 2-5 is 300 t	obis for each well.
Gas Measurement- Yarrow CDP Total gas production and sales will be based on the measurement The Agave's meter #10982 is located at the Yarrow #1. DCP met		M readings.
Estimated daily gas production for the Hemlock #1H is 165 MCF BTU and estimated daily production for the Yarrow #2- #5 is 500		Yarrow #1 gas production is marginal, 0-5 MCF with 1390
The purpose of the Surface Pool/Lease Commingle is in the interest result in reduced royalty or improper measurement of production. This will greatly increase costs and shorten the economic life of a	Without approval for utilizing the same battery, it will be	
I hereby certify that the information above is true and of		f.
SIGNATURE Constant	TITLE Production Analyst	DATE 5/1/3
Type or print name Miriam Morales For State Use Only	E-mail address: mmorales@yatespetroleum.c	tom PHONE: <u>575-748-4200</u>
APPROVED BY:	_TITLE	DATE
APPROVED BY:Conditions of Approval (if any):		

Attachment for Hemlock BSH State #2H, amended PLC-358-A

Hemlock BSH St. #1H Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40489 St. Lease #VB-1169 Lea County, NM

Yarrow BHY State #1 Brinningstool; Delaware Sec. 32-T23S-R33E API #30-025-37561 St. Lease #VO-6276 Lea County, NM

Yarrow BHY State #4H(not yet drilled) Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-41054 St. Lease #VO-6276 Lea County, NM Hemlock BSH State #2H Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40891 St. Lease #VB-1169 Lea County, NM

Yarrow BHY State #2(not yet drilled) Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40878 St. Lease #VO-6276 Lea County, NM Yarrow BHY State #3H (not yet drilled) Brinninstool; Delaware Sec. 32-T23S-R33E API #30-025-40314 St. lease #VO-6276 Lea County, NM

Yarrow BHY St. #5H(not yet drilled) Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40907 St. Lease #VO-6276 Lea County, NM District I 1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

¹ API Number

State of New Mexico.

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Revised June 10, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT Form C-102

WELL LOCATION AND ACREAGE DEDICATION

30-	-025-3756	51		96193		7	Brinninnstool;	Delaware	
⁴ Property (Code .				⁵ Property :	Name	⁶ Well Number		
35240				Yarrow BH	Y State			1	
OGRID I	No.				* Operator	Name	⁸ Elevation		
025575 Yates Petroleum Corporation									3672' 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
A	32	23S	33E	A	990	North	990	East	Lea
			11 Bc	ttom Ho	le Location I	f Different From	m Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acre	la la Joint	or Infill	Consolidation	n Code 15 Or	rder No.		<u> </u>		
40									

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

	 TICO CITITIONS DELIV	1 110	VED DI AME	511151611
16		,066	990'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Significant
				Stormi Davis Printed Name Regulatory Compliance Technician Title and E-mail Address stormid@yperwn.com Date 6-29-06
				18 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 of Survey Signature and Seal of Professional Surveyor: Certificate Number

- DISTRICT I 1889 M. Fronch Dr., Slothe, DES 22360 State of New Mexico

Bergy, Electric and Satural Reserves Separtment - Van-

Bovined Morth 17, 1989 historities on back Submit to Appropriate Leave - A Contra

DISTRICT II
all South First, Artest | 10585 OCD
DISTRICT III
1000 Ris Brases Rd., Arton, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

State Lenne ~ 4 Copies Fee Leane ~ 3 Copies

DISTRICT IV NOV 3 0 2012

D AMENDED REPORT

RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT

30 025	5- 40	818		9900		Triple X; Bone Spring					
Property		<u> </u>	-1	9900	Prop	perly Hamo Fell Number					miber
35240		<u> </u>	·	YAR	ROW BH	Y STATE				2	
OCEED R		[VATES	-	star Plaine EUM CORPORATION				3670	Licz
025575		L			Surfac						
VL or lot No.	Section	Township	Roage	Let Ida	Post fre		North/South	line	Feet from the	Sest/Vest line	County
Н	32	235	33E		231		NORTH		330	EAST	LEA
			~ 	Hole Io	eation I	f Diffe	rent From	Surf	ace		
UL or lot No.	Section	Township		Lot Ma	Foot fre		North/Seeth		Feet from the	Bost/Vest Hoo	County
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·		OR A	NON-STAN	DARD UN	IT HAS	BEEN	APPROVED	BY T	HE DIVISION		
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	ļ					B.	730888.3	6330	Date		
			·			(84	AD-27)		SURVEYO	R CERTIFICAT	ION
	}									that the well locati	
	- 1					1				ur plotted from field Medir by we er	mater of
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<u> </u>			<u> </u>						CENERAL	SUBJECTIVE COMPAN	, [[
230, 9 9 0,		1650' 1	980' 2310'	2310' 11	980' 1860	Office of	990' 640' 3		o'		
						•	000 5	 -			

<u>District 414</u>
1000 Rio Brazos Ro., Aztec, NM \$7410
Phone:(505) 334-6178 Fax:(505) 334-6170
<u>District IV</u>
1220 S. St Francis Dr., Senia Fe, NM \$7505
Phone:(505) 476-3470 Fax:(505) 476-3462

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

	LLL LOCATION ALL MAIN	LAGE DEDICATION	2.11
1. API Number	2. Pool Code	Fool Name	
30-025-40314	96193	TOOL;DELAWARE	
4. Property Code	5. Property	6, Well No.	
35240	YARROW BH	Y STATE	003H
7. OGRID No.	8. Operator	Name	9. Elevation
25575	YATES PETROLEUM	3668	

10. Surface Location

UL - Lot	Section	Township	Pange	Loi Ián	Feet From.	N/S Line	Feet From	E W Line	County
₿	32	238	33E		330	N.	2280	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section 32	Township 23\$	Range 33E	Lot Idn O	Feet From 330	N/S Line S	Feet From 1980	E-W Line	County LEA
	iated Acres 0.00	13. J	शिदेशी क्र धर्मार्थ	14	. Consolidation	Code		15. Order No.	

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

Ó

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 unleased mineral interest in the land including the proposed bottom hole location(s) 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.

E-Signed By: Monti Sanders

Title:

Date: 10/19/2011

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.

Surveyed By: Gary Jones Date of Survey: 9/13/2011 Certificate Number: 7977

DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 Phone (676) 393-6161 Fax: (676) 393-0720 DISTRICT II 1301 W. Grand Avenue, Artesia, NM 88210 Phone (678) 748-1283 Fax: (578) 748-9720

1000 Rio Brazos Rd., Aztec, NM 87410 Phone (505) 334-8178 Fex: (588) 334-8170

API Number

DISTRICT III

DISTRICT IV

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

Pool Name

MAR 1911/3 CONSERVATION DIVISION

Pool Code

Santa Fe, New Mexico 87505

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone (506) 476-3480 Fax: (585) 476-3482

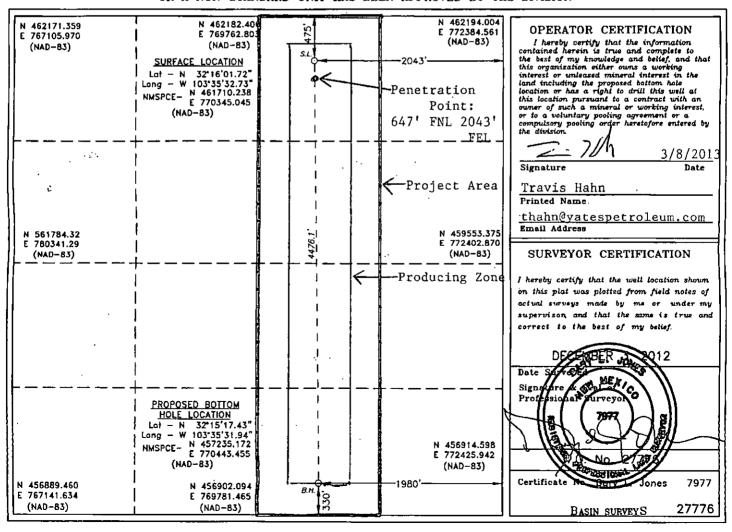
RECEIVED WELL LOCATION AND ACREAGE DEDICATION PLAT

400000

□ AMENDED REPORT

30-02	5-41	054		59900 Wilddat/2nd Bone Springs Property Name Well Number						
Property	Code		-	Property Name						
3524	YARROW BHY STATE							4H		
ogrid n 02557		Operator Name Blevation YATES PETROLEUM CORP. 3667'								
					Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
В	32	23 S	33 E		475	NORTH	2043	EAST	LEA	
		<u> </u>	Bottom	Hole Loc	ation If Diffe	rent From Sur	face	-		
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
0	32	23 S	33 E		330	SOUTH	1980	EAST	LEA	
Dedicated Acre	g Joint o	r Infill Co	nsolidation (Code Or	der No.	•				
160							_			

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



DISTRICT I 1625 N. French Dr., Hobbs, NM 88240 OBBS OCD Phone (876) 393-8161 Fax (676) 393-0774 OBBS

State of New Mexico
Energy Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

DISTRICT II

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

DISTRICT III JAN 07 2013 IL 1000 Rto Brazos Rd., Aztec, NM 87410 DISTRICT IV DISTRICT IV 120 S. St. Francis Dr., Santa Fe. NM 875 RECEIVED Phone (505) 476-3460 Far: (505) 476-3482

☐ AMENDED REPORT

30-025-40	907 5990	Triple X; Bone Sp	ool Name rings		
Property Code 35240	Y	Property Name Well N YARROW BHY STATE 51			
0GRID No. 025575	YATE	Operator Name YATES PETROLEUM CORP.			

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	23 S	33 E		200	NORTH	660	EAST	LEA

Bottom Hole Location If Different From Surface

	· —	T	·					T	
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	32	23 S	33 E	r	330	SOUTH	660	EAST	LEA
Dedicated Acres Joint or Infill Consolidation Code Order No.									
160	1								

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROYED BY THE DIVISION

		BEEN APPROVED BY THE DIVISION
N 462171.359 E 767105.970 (NAD-83)	N 462182.406 E 769762.803 (NAD-83) SURFACE LOCATIO Lat - N 32°16'04. Long - W 103°35'16. NMSPCE- N 461991. E 771726.6	181 (NAD-83) Interest or unleased mineral interest in the land including the proposed bottom hale 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
· + · !	Penetration Point	*
 	Producing Zone:——— Project Area:——	Travis Hahn Printed Name thahn@yatespetroleum.com
N 459529.883 E 767123.302 (NAD-83)		SURVEYOR CERTIFICATION
·		N459553.375 E772402.870 (NAD-83) I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under m supervison and that the same is true ar correct to the best of my belief.
-		NOW SING JOSEPH SOLUTION OF PROTESSIONAL PURVEYOR
 	PROPOSED BOTTO HOLE LOCATION Lat - N 32*15'17 Long W 103*35'16 NMSPCE - N 457241. N 456902.094	M 456914.598 NO 889
E 767141.634 (NAD-83)	E 769781.465 (NAD-83) (NAD-83)	BASIN SURVEYS 2769

District.1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District.11
811 S First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District.111
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District LV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Property Code

39118

OGRID No.

025575

API Number

30-025-40489

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Pool Code 59900 Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

Triple X; Bone Spring

☐ AMENDED REPORT

Well Number

1H

⁹ Elevation

3667'GR

WELL LOCATION AND ACREAGE DEDICATION PLAT

Property Name

Hemlock BSH State

8 Operator Name

Yates Petroleum Corporation

" Surface Location

UL, or lot no.	Section	Township	Range	Lot Idn	reet from the	North/South line	leet from the	Last/West line	County
C	32	23S	33E	ļ	330	North	1980	West	Lea
	<u> </u>	L	l	ttom Ho	le Location If	Different From	n Surface	<u> </u>	
UL or lot no.	Section	Township		Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	32	238	33E		2555	_South_1	1982	West	Lea
12 Dedicated Acres	13 Joint o	r Infill 14	Consolidation	Code 15 O	rder No.		2000	L	
160									
No allowable v	will be ass	signed to t	this comple	tion until a	ll interests have	been consolidated	or a non-standa	rd unit has been app	proved by the
division.									
16		1	w	7			17 O	PERATOR CERT	TEICATION
			330				li i	y that the information contained	
1980	C		T Z				to the best of	ny konwiedge and belief, and th	at this organization either
		Su	ocace.					ng interest or unleased mineral i	-
			rface	-{				hottom hole location or has a rig	
							u ʻ	unt to a contract with an owner a voluntary pooling agreement	
							11	tred by the division.	or a comprise of pressing or car
						<u>-</u> .	$$ I Λ	11 16.5	November 15, 2012
							Signature	men contract	Date
				- !		j	Signal	•	out.
							<u>Tina Huerra</u> Printed Nam	<u></u>	
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							tinah@vateso E-mail Addr		
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ļ								ertify that the well locati	
							was plotte	d from field notes of act	ual surveys made by
							me or una	er my supervision, and t	that the same is true
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DISTRICT I
1825 N. French Dr., Hobbs, NM 88240
Phona (678) 393-8161 Fax: (676) 393-9732BS OCD
DISTRICT II

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate

1301 W. Grand Avenue, Artesis, NM 88210
Phone (575) 746-1263 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Axtec, NM 87410
Phone (505) 334-6178 Fax: (505) 534-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87735 CENED
Phone (506) 476-3480 Fax: (505) 478-3482

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

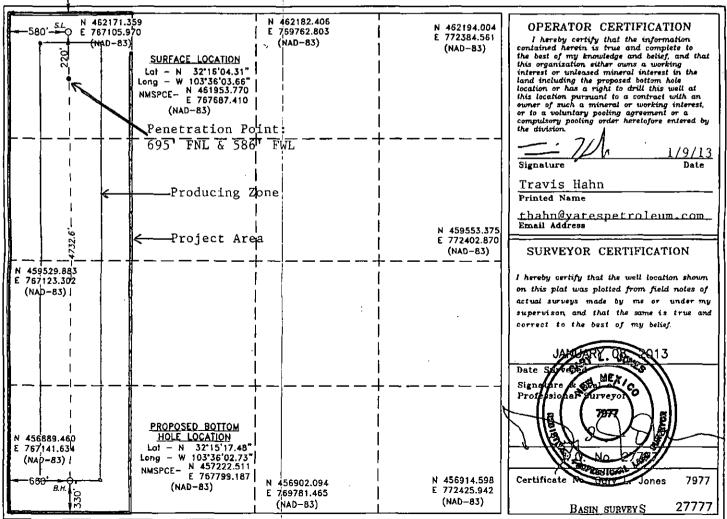
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-40891	Pool Code	7riple X Pool Name Indesignated/2nd Bo	ne Springs
Property Code	· •	rty Name BSH STATE	Well Number 2H
0GRID No. 025575	i ·	OLEUM CORP.	Elevation 3671
			

Surface Location Feet from the North/South line East/West line UL or lot No. Section Township Range Lot Idn Feet from the County D 32 23 S 33 E 220 **NORTH** 580 WEST **LEA** Bottom Hole Location If Different From Surface

ſ	UL or lot No.	Section	Township	Range	Lot Idn	Peet from the	North/South line	Feet from the	East/West line	County
	M	32	23 S	33 E		330	SOUTH	660	WEST	LEA
ſ	Dedicated Acres Joint or Infill Consolidation Code Order No.							-		
	160									

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



Amended



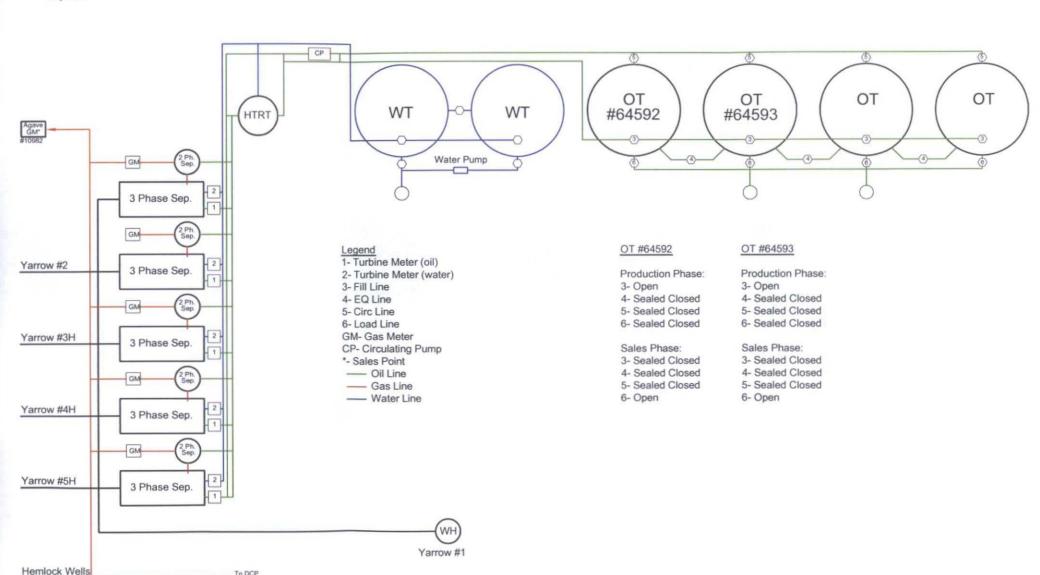
#722112

105 South 4th Street Artesia, NM 88210 (575) 748-1471

Joe Chaves May 2013

Yarrow BHY State #1 Battery

990' FNL & 990' FEL Sec 32-T23S-R33E Unit A Eddy County, NM API #3002537561



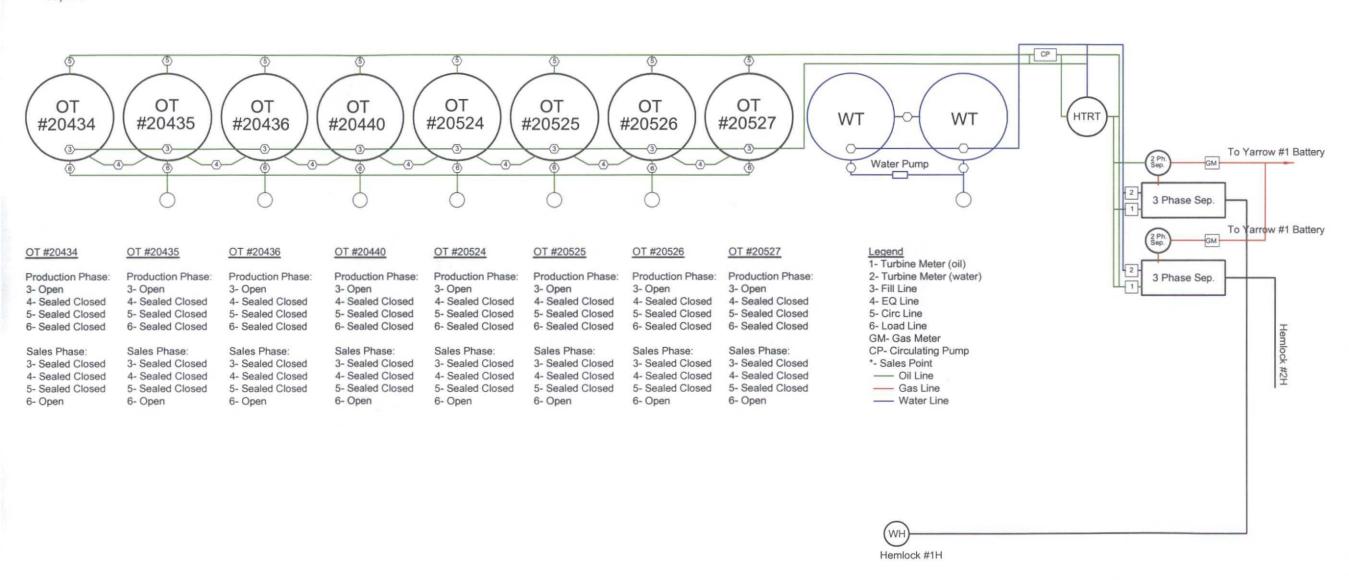


105 South 4th Street Artesia, NM 88210 (575) 748-1471

Joe Chaves July 2012

Hemlock BSH State #1H Battery

330' FNL & 1980' FWL Sec 32-T23S-R33E Unit C Eddy County, NM API #3002540489



MARTIN YATES, III

FRANK W. YATES

S.P YATES



JOHN A. YATES

CHAIRMAN EMERITUS

JOHN A. YATES JR.

CHAIRMAN OF THE BOARD

JOHN D. PERINI

EXECUTIVE VIDE PRESIDENT CHIEF FINANCIAL OFFICER

JAMES S. BROWN

105 SOUTH FOURTH STREET

ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

May 9, 2013

RE: Surface Pool/Lease Commingle Hemlock BSH State #2H Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is notifying you of an amendment to PLC-358-A previously approved on 3/22/13. This request consists of the addition of oil and gas commingled as follows:

Hemlock #1H & 2H oil commingled at the Hemlock battery located at Sec. 32-T23S-R33E- ownership diversified Yarrow 1, 2, 3H, 4H & 5H oil commingled at the Yarrow battery located at Sec. 32-T23S-R33E- diverse pools, same ownership Gas from all the wells to be commingled at CDP- ownership/pools 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 battery. 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 Hemlock #1H is 250 bbls with a gravity of 43.0 and for the Hemlock #2H is 300 bbls.

Estimated daily oil production for the Yarrow #1 is marginal, 0-3 bbls with gravity of 35.4 and for the Yarrow 2-5 is 300 bbls for each well.

Gas Measurement- Yarrow CDP

Total gas production and sales will be based on the measurement at the CDP and allocated back to each well based on EFM readings. The Agave's meter #10982 is located at the Yarrow #1. DCP meter #722112 alternate route, if needed.

Estimated daily gas production for the Hemlock #1H is 165 MCF, for the Hemlock #2H is 300 MCF with 1450 BTU. The Yarrow #1 gas production is marginal, 0-5 MCF with 1390 BTU and estimated daily production for the Yarrow #2- #5 is 500 MCF for each well.

The purpose of the Surface Pool/Lease Commingle is in the interest of conservation, economic feasibility, 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. This will greatly increase costs and shorten the economic life of all the wells.

Please see attached list of all wells.

If you have any questions, please call me at (575) 748-4200

Sincerely,

Miriam Morales

I hereby approve this application

Company: Yates Petroleum Corporation

KATHY H. PORTER

DENNIS G. KINSEY

TREASURER

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

S P YATES

1914-2008

ATES
PETROLEUM
CORPORATION

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

105 SOUTH FOURTH STREET

ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

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Miriam Morales

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Company: Abo Petroleum Corporation

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

1914-2008



JOHN A. YATES

CHAIRMAN EMERITUS

JOHN A. YATES JR.

CHAIRMAN OF THE BOARD
PRESIDENT

JOHN D. PERINI

EXECUTIVE VICE PRESIDENT

JAMES S. BROWN CHIEF OPERATING OFFICER

IOS SOUTH FOURTH STREET

ARTESIA, NEW MÉXICO 88210-2118

TELEPHONE (575) 748-1471

www.yatespetroleum.com

May 9, 2013

RE: Surface Pool/Lease Commingle Hemlock BSH State #2H Lea County, New Mexico

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Sincerely,

Miriam Morales

I hereby approve this application

Company: Myco Industries, Inc

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

JAMES S. BROWN

JOHN A. YATES

JOHN A. YATES JR.

CHAIRMAN OF THE BOARD PRESIDENT

JOHN D. PERINI

EXECUTIVE VICE PRESIDENT CHIEF FINANCIAL OFFICER

ARTESIA, NEW MEXICO 88210-2118

www.yatespetroleum.com

May 9, 2013

RE: Surface Pool/Lease Commingle Hemlock BSH State #2H Lea County, New Mexico

Dear Interest Owner,

Yates Petroleum is requesting administrative approval from the Oil Conservation Division and the State Land Office to amend PLC-358-A previously approved on 3/22/13. This request consists of an addition of oil and gas commingled as follows:

Hemlock #1H & 2H oil commingled at the Hemlock battery located at Sec. 32-T23S-R33E- ownership diversified Yarrow 1, 2, 3H, 4H & 5H oil commingled at the Yarrow battery located at Sec. 32-T23S-R33E- diverse pools, same ownership Gas from all the wells to be commingled at CDP- ownership/pools diversified

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Please see attached list of all wells.

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 call me at (575) 748-4200 (direct line)

Sincerely,

Miriam Morales Production Analyst

Attachment for Hemlock BSH State #2H, amended PLC-358-A

Hemlock BSH St. #1H Triple X; Bonc Spring Sec. 32-T23S-R33E API #30-025-40489 St. Lease #VB-1169 Lea County, NM

Yarrow BHY State #1 Brinningstool; Delaware Sec. 32-T23S-R33E API #30-025-37561 St. Lease #VO-6276 Lea County, NM

Yarrow BHY State #4H Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-41054 St. Lease #VO-6276 Lea County, NM Hemlock BSH State #2H Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40891 St. Lease #VB-1169 Lea County, NM

Yarrow BHY State #2 Triple X; Bone Spring Sec. 32-T23S-R33E AP1 #30-025-40878 St. Lease #VO-6276 Lea County, NM

Yarrow BHY St. #5H Triple X; Bone Spring Sec. 32-T23S-R33E API #30-025-40907 St. Lease #VO-6276 Lea County, NM Yarrow BHY State #3H Brinninstool; Delaware Sec. 32-T23S-R33E API #30-025-40314 St. lease #VO-6276 Lea County, NM



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

ADDRESS SERVICE REQUESTED

7012 3460 0001 7460 3642 7012 3460 0001 7460 3642

		<i>u</i>				-				-
PS Form 3800. August 2006	or PO Box No. PO	·	Total Postage & Fees	Restricted Delivery Fee (Endorsement Required)	Return Receipt Fee (Endorsement Required)	Certified Fee	Postage	For delivery information of the conformation o	CERTIFIED (Domestic Mail Only	
1006 See Reverse for Instructions	Siriesi Ani No.: PO BOX 840 or PO Box No.: PO BOX 840 Cōiy, Siàio, ZiP+4 ARTESIA, NM 88211-0840	SHARBRO ENERGY LLC	₩		Here	Postmark	\$	Hamble Take on Cally Care a Warner of Stell 3	U.S. Postal Service in CERTIFIED MAIL. RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	· · · · · · · · · · · · · · · · · · ·

SHARBRO ENERGY LLC P O BOX 840 ARTESIA, NM 88211-0840

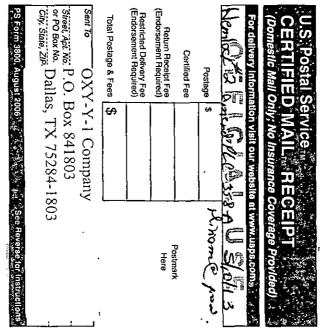
ENDER OF THE THE	SERGIA NEUTER BIOLINE SERVINE
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature X
1. Article Addressed to: SHARBRO ENERGY LLC P O BOX 840	D. Is delivery address different from item 1?
ARTESIA, NM 88211-0840	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7012 3460 0001	· · · · · · · · · · · · · · · · · · ·
PS Form 3811, February 2004 Domestic Re	turn Receipt 102595-02-M-1540



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

7012 3460 0001 7460 3697 7012 3460 0001 7460 3697

ADDRESS SERVICE REQUESTED



OXY-Y-1 Company P.O. Box 841803 Dallas, TX 75284-1803

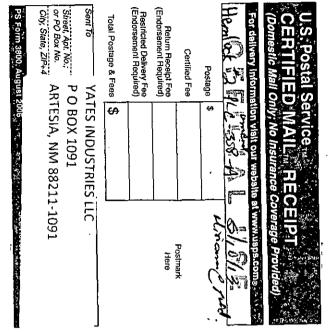
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature X
1. Article Addressed to: OXY-Y-1 Company P.O. Box 841803	D. Is delivery address different from item 1?
Dallas, TX 75284-1803	3. Service Type Certified Mail Express Mail Registered Return Receipt for Merchandise i C.O.D.
A Asiala Manahari	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number 7012 3460 0001	7460 3697
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540



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

7012 3460 0001 7460 3673 7012 3460 0001 7460 3673

ADDRESS SERVICE REQUESTED



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

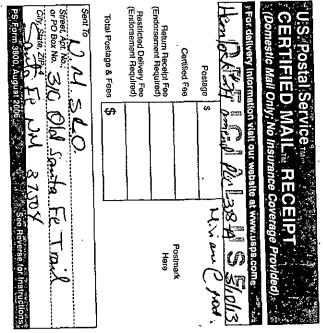
SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mallpiece, or on the front if space permits.	A. Signature X A. Signature X Agent Addressee i B. Received by (Printed Name) C. Date of Delivery
1 Article Addressed to:	D. Is delivery address different from item 1?
ARTESIA, NM 88211-1091	3. Service Type Certified Mail
2. Article Number 7012 3460 0001	'
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540



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

7012 3460 0001 7460 3659 7012 3460 0001 7460 3659

ADDRESS SERVICE REQUESTED



New Mexico State Land (Commissioner of Public L 310 Old Santa Fe Trail P.O. Box 1148 Santa Fe, New Mexico 87

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT

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	A. Signature X.
P.O. Box 1148 Santa Fe, New Mexico 87504-1148	3. Service Type Certified Mail
	4 Restricted Delivery? (Extra Fee) Yes
2. Article Number 7012 3460 0001	7460 3659
PS Form 3811, February 2004 Domestic Ret	urn Receipt 102595-02-M-1540

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