

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.

Janet Richardson
 Print or Type Name

Janet Richardson
 Signature

Assistant Land Manager 9-12-05
 Title Date

jrichard@nycnm.com
 e-mail Address

RECEIVED
 SEP 15 2005
 OIL CONSERVATION
 DIVISION

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
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

September 12, 2005

Mr. Mark E. Fesmire, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, NM 87505

Re: Application of Yates Petroleum Corporation for administrative approval of a 279.46 acre non-standard gas spacing unit for its Coogan "AUN" State Well No. 1 located 660 feet from the North line and 1850 feet from the East line of partial Section 32, Township 20 ½ South, Range 22 East, NMPM, Eddy County, New Mexico.

Dear Mr. Fesmire:

Yates Petroleum Corporation, pursuant to the provisions of Division Rule 104 D (2) (b) and (c) adopted on January 18, 1996, hereby seeks administrative approval of a 279.46 acre non-standard gas spacing and proration unit for the Coogan "AUN" State Well No. 1 to be comprised of all of partial Section 32, Township 20 ½ South, Range 22 East, N.M.P.M., Eddy County, New Mexico.

Yates proposes to drill this well to test the Morrow, Atoka, Strawn, Cisco and Wolfcamp formations. These formations are developed on 320-acre spacing pursuant to the general rules of the Division.

This non-standard gas spacing and proration unit is necessary because of a variation in the legal subdivision of the United States Public Land Surveys. This unit is comprised of contiguous lots which lie wholly within a single governmental section and are joined by a common side. Attached is a plat which shows the subject spacing unit and all adjoining spacing units or leases. Also attached is a list of all parties affected by this application.

Since this non-standard spacing and proration unit comprises all of partial Section 32, there are no owners in the mineral estate who are excluded from this non-standard unit. On or before the date on which this application was filed with the Division, a copy of this application with all attachments thereto was mailed to all offset operators or mineral interest owners by Certified Mail – Return Receipt Requested. Each of these parties was advised that if they have an objection to the proposed non-standard spacing or proration

Mr. Mark E. Fesmire,
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
September 12, 2005
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unit it must be filed in writing with the Division's Santa Fe office within twenty days from the date notice was sent. They were also advised that if no objections were received by the Division within twenty days, the Division Director could approve the application.

Your attention to this application is appreciated.

Very truly yours,

YATES PETROLEUM CORPORATION

A handwritten signature in dark ink, appearing to read "Janet Richardson", is written over a horizontal line.

Janet Richardson
Assistant Land Manager

JR/pjb
Enclosure(s)

Mr. Mark E. Fesmire
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
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NOTIFICATION LIST

Application of Yates Petroleum Corporation,
administrative approval of a non-standard spacing or proration unit
Coogan "AUN" State Well No. 1
660 feet from the North line and 1,850 feet from the East line
279.46 acres (All of partial Section 32)
Section 32, Township 20-1/2 South, Range 22 East, NMPM
Eddy County, New Mexico

Nadel and Gussman Permian LLC
601 Marienfeld Street, Suite 508
Midland, TX 79701-4365

BP America Production Co.
P. O. Box 3092
Houston, TX 77253-3092

David J. Andrews
119 Mountain View
Bedford TX 76021

Richard K. Barr
P. O. Box 8507
Midland, TX 79708-8507

James R. Bartel
3700 Crestmont Dr.
Midland, TX 79707

Cannon Exploration. Co.
3608 S. County Road #1184
Midland, TX 79706-6468

Dennis Corkran
2219 Westlake Drive, Suite 120
Austin, TX 78746

Wesley K. Noe
3323 Maxwell Drive
Midland, TX 79707

Mr. Mark E. Fesmire
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
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Pogar Petroleum Ltd.
P. O. Box 10095
Midland, TX 79702

Bob Stevens
P. O. Box 11106
Midland, TX 79702

Doug Tull
P. O. Box 11107
Midland, TX 79702

Jerry A. Weant
P. O. Box 7201
Midland, TX 79708

Scott E. Wilson
4601 Mirador Dr.
Austin, TX 78735-1554

Trilogy Operating, Inc.
P. O. Box 7606
Midland, TX 79708

The Allar Co. and EG3, Inc.
P. O. Box 1567
Graham, TX 76450

Crown Oil Partners
P. O. Box 50820
Midland, TX 79710-0820

OXY USA WTP LTD
P. O. Box 300
Tulsa, OK 74102

Avalon Oil Co.
1111 Herman Drive, 15F
Houston, TX 77004

Nearburg Expl. Co. LLC
3300 N. A Street, Bldg E, Suite 120
Midland, TX 79705

