

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



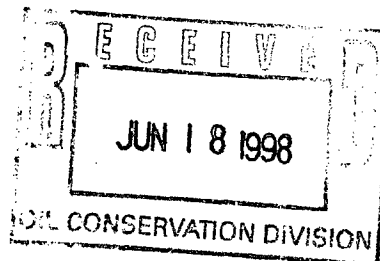
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1471

DHC 7/8/98

1997

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

June 15, 1998



David Catanach
State of New Mexico
OIL CONSERVATION DIVISION
2040 S. Pacheco Street
Santa Fe, NM 87505-5472

Dear Mr. Catanach,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Trick State Unit #1 located in Unit B of Section 18, Township 22 South, Range 35 East, Lea County.

Should you have any questions, feel free to contact me at (505) 748-1471. Thank you.

Sincerely,

Morris Keith
Engineer

MK/th

Enclosures

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DENNIS G. KINSEY
TREASURER

June 15, 1998

Chris Williams
State of New Mexico
OIL CONSERVATION DIVISION
P. O. Drawer 1980
Hobbs, NM 88240

Dear Mr. Williams,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Trick State Unit #1 located in Unit B of Section 18, Township 22 South, Range 35 East, Lea County.

Should you have any questions, feel free to contact me at (505) 748-1471. Thank you.

Sincerely,

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TREASURER

June 15, 1998

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

Dear Mr. Martinez,

Pursuant to the State Land Office Rule Nos. 1.053, 1.054 and 1.055, you will find enclosed the \$30.00 filing fee and a copy of the commingling application for the Trick State Unit #1.

Should you have any questions, feel free to contact me at (505) 748-1471. Thank you.

Sincerely,

Morris Keith
Engineer

MK/th

Enclosures

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II

811 South First St., Artesia, NM 88210-2835

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-A
New 3-12-96

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-6429

APPROVAL PROCESS:
 Administrative Hearing

APPLICATION FOR DOWNHOLE COMMINGLING

EXISTING WELLBORE
 YES NO

Yates Petroleum Corporation

105 S. Fourth Street

Artesia, NM 88210

Operator

Address

Trick State Unit

1

B 18-22S-35E

Lea

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 025575

Property Code 19982

API NO. 30-025-33693

Spacing Unit Lease Types: (check 1 or more)

Federal State (and/or) Fee

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	San Simon Wolfcamp <i>53690</i>		Undesignated Strawn
2. Top and Bottom of Pay Section (Perforations)	11360'-11800'		11980'-11990'
3. Type of production (Oil or Gas)	Oil		Oil
4. Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 4915	a.	a. (Current) 5175
	b. (Original) 5778	b.	b. (Original) 6090
6. Oil Gravity (API) or Gas BTU Content	40.3°API		40.3°API
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	Yes		Yes
* If Shut-In, give 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: Rates:	Date: Rates:	Date: Rates:
	Date: 5-18-98 Rates: 10.5 BOPD 4 MCFGPD 0 BWPD	Date: Rates:	Date: 5-18-98 Rates: 1/2 BOPD 0 MCFGPD 0 BWPD
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)			
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 95% Gas: 95%	Oil: % Gas: %	Oil: 5% Gas: 5%

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes No
If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No
Have all offset operators been given written notice of the proposed downhole commingling? Yes No

11. Will cross-flow occur? Yes No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation)

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

13. Will the value of production be decreased by commingling? Yes No (If Yes, attach explanation)

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

15. NMOC Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) _____

16. 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 all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

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

SIGNATURE Morris Keith TITLE Operations Engineer DATE 6-15-98

TYPE OR PRINT NAME Morris Keith TELEPHONE NO. (505) 748-1471

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-035-33693		Pool Code	Pool Name San Simon Wolfcamp
Property Code 19982	Property Name Trick State Unit		Well Number 1
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 3599'

¹⁰ Surface Location


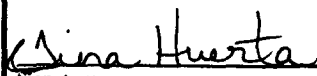

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	18	22S	35E		660	North	1980	East	Lea

¹¹ 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

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		¹⁷ OPERATOR CERTIFICATION	
		<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>	
		 Signature Tina Huerta Printed Name Operations Technician Title	
		Date	
16		¹⁸ SURVEYOR CERTIFICATION	
		<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>	
		REFER TO ORIGINAL PLAT	
		Date of Survey	
Signature and Seal of Professional Surveyer:		Certificate Number	

Production curves for each zone are not available. The San Simon Wolfcamp has not produced.

District I
 PO Box 1988, Hobbs, NM 88241-1988
 District II
 PO Drawer DD, Artesia, NM 88211-9719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

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 Energy, Minerals & Natural Resources Department

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 Santa Fe, NM 87504-2088

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AFT Number 30-035-33693		Pool Code	Pool Name Undesignated Strawn
Property Code 19982	Property Name Trick State Unit		Well Number 1
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 3599'

¹⁰ Surface Location


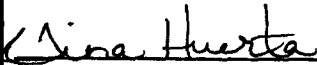
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	18	22S	35E		660	North	1980	East	Lea

¹¹ Bottom Hole Location If Different From Surface

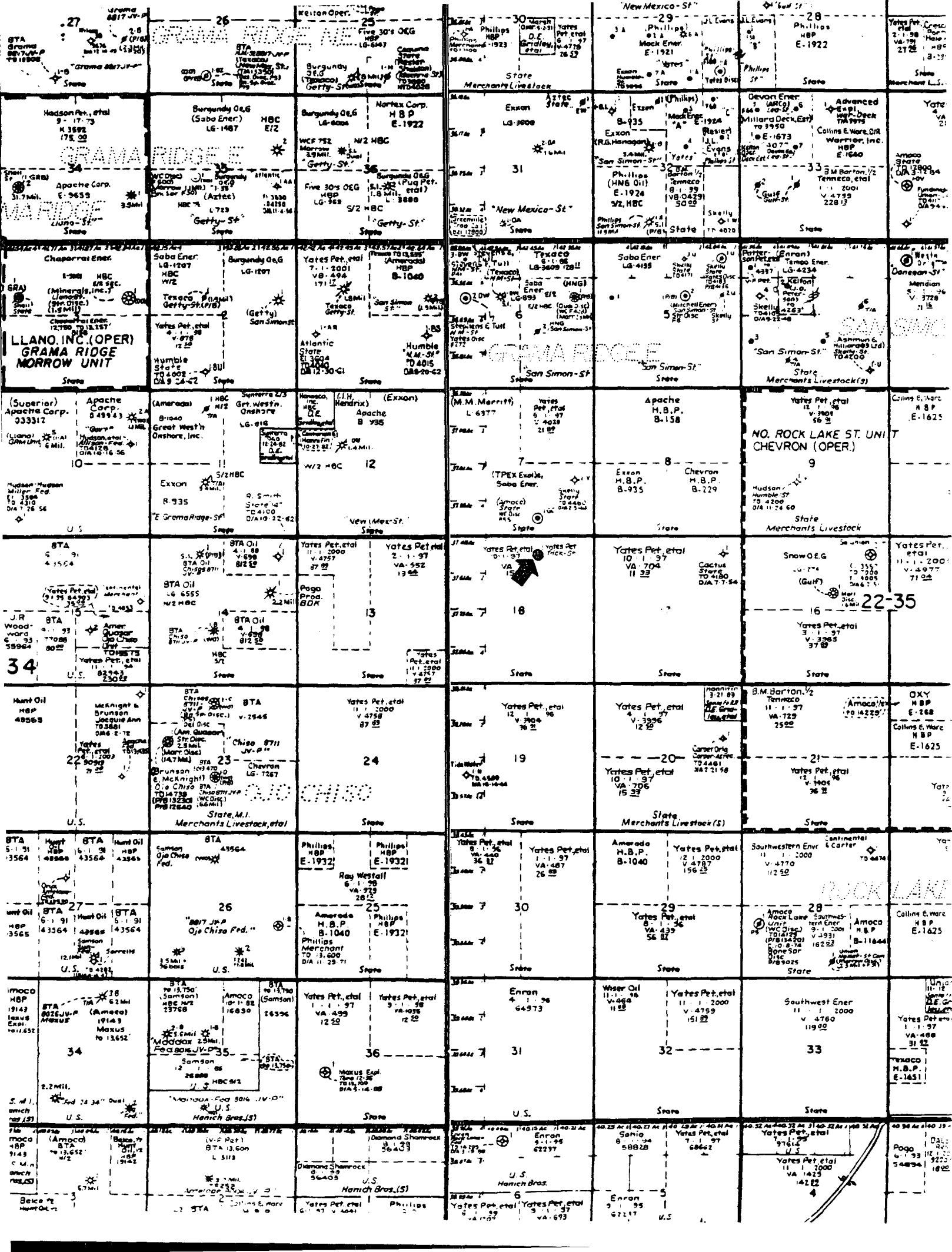
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

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		Signature  Tina Huerta Printed Name Operations Technician Title Date	
		¹⁸ SURVEYOR CERTIFICATION	
		<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>	
		REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number	

Production curves for each zone are not available. The Undesignated Strawn has not produced.



27
BTA
4817 JV-P
2.8
(776)
11/11/98
(776)
(776)
(776)
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Hudson Pet. etal
9-17-73
K 3592
175.00

Apache Corp.
E-9653
3.9MI

Chaparral Ener.
1-388
HBC
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Apache Corp.
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Burgundy O&G
(Saba Ener.)
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HBC
E-1922

Burgundy O&G
LG-6000
WCF 752
Marathon
3.9MI.
(910)
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Saba Ener.
LG-1487
HBC
W-12

Exxon
R-935

BTA Oil
6-6555
W-2 HBC

BTA
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Five 30's O&G
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Burgundy O&G
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Five 30's O&G
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LG-969

Yates Pet. etal
7-1-2001
VB-494
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Exxon
B-935

Yates Pet. etal
11-1-2000
V-4757
37.82

Yates Pet. etal
11-1-2000
V-4757
37.82

Phillips
HBP
E-1922

Phillips
HBP
E-1922

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Phillips
HBP
E-1922

30
Phillips
HBP
E-1922

Exxon
LG-3600

Exxon
B-935

Yates Pet. etal
6-1-97
VA-552
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Yates Pet. etal
12-1-96
VA-306
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Yates Pet. etal
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Yates Pet. etal
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29
Phillips
HBP
E-1922

Exxon
B-935

Phillips
HBP
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HBP
E-1922

Devon Ener.
Millard Deck, Est
to 3950
E-1673

Advanced
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VA-306
56.21

YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
TRICK STATE UNIT #1
LEA COUNTY, NEW MEXICO

Saba Energy of Texas, Inc.
1603 S.E. 19th Street, Suite 202
Edmond, OK 73013

Exxon Company
P. O. Box 1547
Houston, TX 77251-1547

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TREASURER

June 15, 1998

Saba Energy of Texas, Inc.
1603 S.E. 19th Street
Suite 202
Edmond, OK 73013

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Trick State Unit #1 located in Unit B of Section 18, Township 22 South, Range 35 East, Lea County. Please find attached application. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please do not hesitate to contact me at (505) 748-1471.

Sincerely,

A handwritten signature in cursive script that reads 'Morris Keith'.

Morris Keith
Operations Engineer

MK/th

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FRANK W. YATES
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