District I

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-107A Revised June 10, 2003

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III 1000 Rio Brazos Road, Aztec. NM 87410

Oil Conservation Division

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

APPLICATION TYPE

X_Single Well Establish Pre-Approved Pools

ISTING	WELLBOR
3 7 37	Ma

Œ EX District IV APPLICATION FOR DOWNHOLE COMMINGLING 1220 S. St. Francis Dr., Santa F 2006 750 1 1 1 X Yes PM 2 DHC 105 South Forth Street, Artesia, NM 88210 Yates Petroleum Corporation Address Operator 2-9S-26E Chaves Datil BFD State Com C Well No. Unit Letter-Section-Township-Range County Lease _ Lease Type: ___Federal __X_State __ API No. <u>30-005-63689</u> OGRID No.025575 Property Code_ LOWER ZONE DATA ELEMENT **UPPER ZONE** INTERMEDIATE ZONE Foor Ranch; Pre-Permian, (G) Pecos Slope; Abo (Gas) Pool Name 82730 Pool Code 6072-6122 Top and Bottom of Pay Section 4530-49003 (Perforated or Open-Hole Interval) Flowing Method of Production Flowing (Flowing or Artificial Lift) 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) Oil Gravity or Gas BTU (Degree API or Gas BTU) Producing, Shut-In or New Zone Date: 400 mcfd Date: 2/28/06 0 bopd 91 mcfd Rates: 0 bwpd Rates: 0 bopd 0 bwpd Fixed Allocation Percentage Oil Gas 81% Oil Gas 19% than current or past production, supporting data or explanation will be required.) **ADDITIONAL DATA** Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Are all produced fluids from all commingled zones compatible with each other? Will commingling decrease the value of production? 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__X___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 required 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.

SIGNATURE

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

TITLE Operations Engineer DATE 3/2/06

TYPE OR PRINT NAME

___TELEPHONE NO. (505) 748-4327

E-MAIL ADDRESS <u>mhoskins@ypcnm.com</u>

APP NO. PTDS0606955906

BOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



	AD	MINISTRATIV	/E APPLI	CATION	CHECKLIS	T	
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	[C] In	jection - Disposal - Pre] WFX [] PMX				٠.	
	[D] Ot	her: Specify					
	ICATION [A]	REQUIRED TO: - C Working, Royalty or				y ₂ y"	HALLES
	[B]	Offset Operators, Le	aseholders or S	Surface Owner			
	[C]	Application is One V	Vhich Requires	Published Leg	al Notice		
	[D] 🗆	Notification and/or C	Concurrent App	proval by BLM Public Lands, State Lan	or SLO		e e e
	[E]	For all of the above,	Proof of Notifi	cation or Public	cation is Attached	l, and/or,	
<u> </u>	[F] 🔲	Waivers are Attached	i	1.44 U. 1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.		•	
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approval is accur	rate and co	I: I hereby certify that mplete to the best of m information and notif	y knowledge.	I also understar	nd that <mark>no action</mark>	for admir will be ta	nistrative ken on this
	Note: State	ment must be completed b	y an Individual w	ith managerial and	i/or supervisory cap	acity.	
Print or Type Name		Signature		Title			Data
Jpo I mile	-	Digitatuto		. 1100			Date

e-mail Address



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT

S. P. YATES

RANDY G. PATTERSON SECRETARY DENNIS G. KINSEY TREASURER

March 6, 2006

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

Re: Datil BFD State Com #1

Dear Mr. Catanach,

LOUB PIAR 10 PM 2 DE

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Pecos Slope; Abo and Foor Ranch; Pre-Permian pools in our Datil BFD State Com #1 located in Unit C of Section 2 Township 9South, Range 26 East, in Chaves County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4327.

Sincerely,

Mark Hoskins Operations Engineer

MH/dc

INTEREST OWNERS

Datil BFD State Com #1 API No.: 30-005-63689 Unit C, Section 2-9S-26E Chaves County, New Mexico

Gary D. McKinney c/o Reliance Energy 6 Desta Drive, Ste 5500 Midland, TX 79702

Jack L. Waldrop, Jr. c/o Reliance Energy 6 Desta Drive, Ste 5500 Midland, TX 79702

Les R. Honeyman 406 Skywood Circle Midland, TX 79705

Clyde C. Wheeler P.O. Box 50842 Midland, TX 79710-0842

Pete Martinez State of New Mexico P.O. Box 1148 Santa Fe, New Mexico 87504-1148 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

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

☐ AMENDED REPORT

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

I API Number	² Pool Code	³ Pool Name		
30-005-63689	97094	Foor Ranch; Pre-Permi	, N.	
⁴ Property Code	⁵ Property	Name	⁶ Well Number	
34347	Datil BFD S	1		
OGRID No.	8 Operato	⁹ Elevation		
025575	Yates Petroleun	n Corporation	3850	

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
N	2	9 S	26E	N	660	S	1980	W	Chaves
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	he North/South line Feet from the East/West line		County	

12 Dedicated Acres 320.33 13 Joint or Infill 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

	ALL CALLES AND MANAGEMENT AND	 	,	
16				¹⁷ OPERATOR CERTIFICATION
				I hereby certify that the information contained herein
				is true and complete to the best of my knowledge and
				belief.
				Signature
				Debbie Chavez Printed Name
				Engineering Technician
				Title and E-mail Address
				July 7, 2005
				Date
				Date
				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:
1980, M				
	06			
	400			
	ls ls			Certificate Number
The second second second second	Property Land 121 and at a line of the			

The Pecos Slope; Abo (Gas) is a new zone and production curves are not available.

Rate/Time Graph

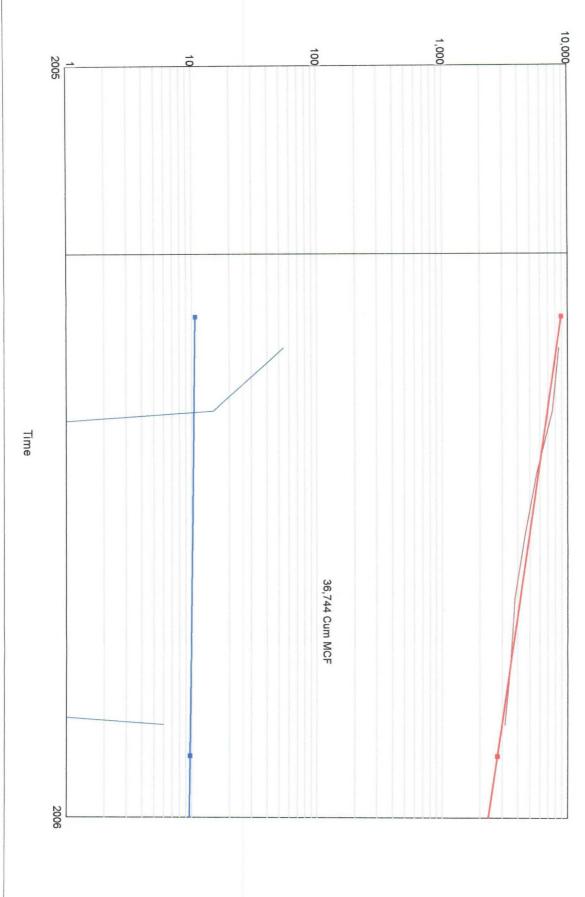
Lease Name: DATIL BFD STATE COM (1)
County, ST: CHAVES, NM
Location: 2N 9S 26E C SE SW

Project: \\s3\sys\PUBLIC\PowerTools v7.0\Projects\Datil.MDB

Date: 3/2/2006 Time: 10:38 AM

Operator: YATES PETROLEUM CORPORATION Field Name: FOOR RANCH

DATIL BFD STATE COM - FOOR RANCH



Monthly Rate

1828 N. French Dr., Nebbs, NW 88400 Energy, Mineralis & Natural Resources Department Submit to Appropriate District Office	Best Present Present Present	n.							,			
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1980'W

Signature and Seal of Professional Surveyor:

Certificate Number



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

March 2, 2006

Jack L. Waldrop, Jr. c/o Reliance Energy 6 Desta Drive, Ste 5500 Midland, TX 79702

Re: Datil BFD State Com #1

Dear Mr. Waldrop,

Yates Petroleum Corporation hereby seeks approval to downhole commingle the production from the Pecos Slope Abo and the Foor Ranch Pre-Permian pools in our Datil BFD State Com #1 located in Unit C, of Section 2, Township 9 South, Range 26 East, in Chaves County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4327.

Sincerely,

Mark Hoskins Operations Engineer

lak Hook

MH/dc



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

CHAIRMAN OF THE BOARD

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RANDY G. PATTERSON

SECRETARY

DENNIS G. KINSEY

TREASURER

S. P. YATES

March 2, 2006

Clyde C. Wheeler P.O. Box 50842 Midland, TX 79710-0842

Re: Datil BFD State Com #1

Dear Mr. Wheeler,

Yates Petroleum Corporation hereby seeks approval to downhole commingle the production from the Pecos Slope Abo and the Foor Ranch Pre-Permian pools in our Datil BFD State Com #1 located in Unit C, of Section 2, Township 9 South, Range 26 East, in Chaves County, New Mexico.

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Sincerely,

Mark Hoskins

Operations Engineer

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MH/dc



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

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S. P. YATES

SECRETARY
DENNIS G. KINSEY
TREASURER

March 2, 2006

Gary D. McKinney c/o Reliance Energy 6 Desta Drive, Ste 5500 Midland, TX 79702

Re: Datil BFD State Com #1

Dear Mr. McKinney,

Yates Petroleum Corporation hereby seeks approval to downhole commingle the production from the Pecos Slope Abo and the Foor Ranch Pre-Permian pools in our Datil BFD State Com #1 located in Unit C, of Section 2, Township 9 South, Range 26 East, in Chaves County, New Mexico.

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Sincerely,

Mark Hoskins

Operations Engineer

Male Abole

MH/dc



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TREASURER

S. P. YATES

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

March 2, 2006

Les R. Honeyman 406 Skywood Circle Midland, TX 7705

Re: Datil BFD State Com #1

Dear Mr. Honeyman,

Yates Petroleum Corporation hereby seeks approval to downhole commingle the production from the Pecos Slope Abo and the Foor Ranch Pre-Permian pools in our Datil BFD State Com #1 located in Unit C, of Section 2, Township 9 South, Range 26 East, in Chaves County, New Mexico.

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Sincerely,

Mark Hoskins

Operations Engineer

Mak Hob

MH/dc



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RANDY G. PATTERSON

S. P. VATES

SECRETARY
DENNIS G. KINSEY
TREASURER

March 6, 2006

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

Re: Datil BFD State Com #1

Dear Mr. Martinez,

Yates Petroleum Corporation hereby seeks approval to downhole commingle the production from the Pecos Slope Abo and the Foor Ranch Pre-Permian pools in our Datil BFD State Com #1 located in Unit C, of Section 2, Township 9 South, Range 26 East, in Chaves County, New Mexico.

If you have any questions or need additional information, please call me at (505) 748-4327.

Sincerely,

Mark Hoskins

Operations Engineer

Mak Host

MH/dc