

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



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

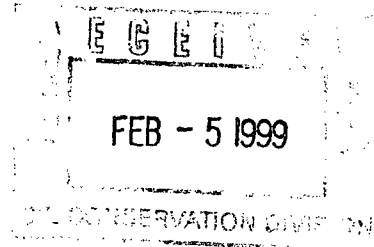
DHC 2/25/99

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

2208

February 3, 1999

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 Loco ASI Federal Com #1 located in Unit L of Section 10, Township 18 South, Range 29 East, Eddy County.

Should you have any questions, feel free to contact me at (505) 748-4174. Thank you.

Sincerely,


Ray Stall
Operations Engineer

RS/th

Enclosures

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February 3, 1999

Tim Gum
State of New Mexico
OIL CONSERVATION DIVISION
811 S. First Street
Artesia, NM 88210

Dear Mr. Gum,

Enclosed are the necessary documents for obtaining approval for the downhole commingling of the Loco ASI Federal Com #1 located in Unit L of Section 10, Township 18 South, Range 29 East, Eddy County.

Should you have any questions, feel free to contact me at (505) 748-4174. Thank you.

Sincerely,

Ray Stall
Operations Engineer

RS/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

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation

105 S. Fourth Street

Artesia, NM 88210

Operator

Address

Loco ASI Federal Com

1

L 10-18S-29E

Eddy

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 025575Property Code 23180API NO. 30-015-30094Federal ☒ 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	Turkey Track Morrow, North 86500		Loco Hills Chester 96845
2. Top and Bottom of Pay Section (Perforations)	10,956'-11,005'		11,397'-11,409'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) b. (Original) 4000 psi Estimated from YPC Arenas ARI #1 in Sec. 15-18S-29E	a. b.	a. (Current) To be Measured Before Morrow Completion b. (Original) 4200 Estimated
6. Oil Gravity (API) or Gas BTU Content	1143 BTU Estimated from YPC Arenas ARI #1 in Sec. 15-18S-29E		1200 BTU
7. Producing or Shut-In?	Not Completed		Producing
Production Marginal? (yes or no)	Unknown		No
* 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: Not Completed Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Not Completed Rates:	Date: Rates:	Date: 01-28-99 Rates: 11 BOPD 0 BWPD 604 MCFGPD
8. Fixed Percentage Allocation Formula -% for each zone (total of %'s to equal 100%)	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

*** Allocation Formula will be Provided when Morrow is Completed ***

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 Ray Stall TITLE Operations Engineer DATE 2/3/99
TYPE OR PRINT NAME Ray Stall TELEPHONE NO. (505) 748-4174

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

1 APT Number 30-015-30094		2 Pool Code 86500		3 Pool Name Turkey Track Morrow, North	
4 Property Code 23180		5 Property Name Loco ASI Federal Com			6 Well Number 1
7 OGRID No. 025575		8 Operator Name Yates Petroleum Corporation			9 Elevation 3486

10 Surface Location

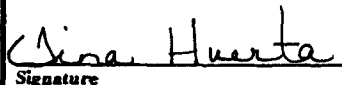
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	10	18S	29E		1650	South	1200	West	Eddy

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 320	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 2-3-99 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 curve for this zone is not available, it has not yet been completed.

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-30094		Pool Code 96845	Pool Name Loco Hills Chester
Property Code 23180	Property Name Loco ASI Federal Com		Well Number 1
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 3486

¹⁰ Surface Location

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¹¹ Bottom Hole Location If Different From Surface

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Date: 02/01/99
Time: 10:10:58

Date: 02/01/99
Time: 10:10:58

File:
Get#:

1
LOCO ASI FEDERAL COM
EDDY COUNTY, NM
FIELD
YATES PETROLEUM CORP

CASE: NM

LOCO ASI FEDERAL CON

CUMULATIVE OIL (BBL)=

673.

DPC & A

YEARS

SL 20 3 3

CUMULATIVE GAS (MCF)=

31425.

YATES PETROLEUM CORPORATION
APPLICATION FOR ADMINISTRATIVE APPROVAL
DOWNHOLE COMMINGLING
LOCO ASI FEDERAL COM #1
EDDY COUNTY, NEW MEXICO

Enron Oil & Gas Co.
P. O. Box 2267
Midland, TX 79702

Oxy USA, Inc.
P. O. Box 50250
Midland, TX 79710-0250

Fair Oil, Ltd.
P. O. Box 689
Tyler, TX 75710

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February 3, 1999

Oxy USA, Inc.
P. O. Box 50250
Midland, TX 79710-0250

Ladies and Gentlemen,

Yates Petroleum Corporation has made an application for administrative approval for downhole commingling for the Loco ASI Federal Com #1 located in Unit L of Section 10, Township 18 South, Range 29 East, Eddy County. Please find a copy of application enclosed. This will serve as notification to an offset operator.

Should you have any questions, or need additional information, please call me at (505) 748-4174.

Sincerely,

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Sincerely,

A handwritten signature in cursive script that reads 'Ray Stall'.

Ray Stall
Operations Engineer

RS/th