

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



'90 JUN 6 AM 8 41

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

June 4, 1990

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

ATTN: Michael E. Stogner

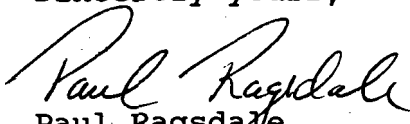
RE: Zia "ZS" Fed Com #1
Dual Completion 14-T20S-R29E

Gentlemen:

Pursuant to your request to notify the offset operators of Yates Petroleum desire to dual complete the referenced Zia ZS Fed Com #1 in Morrow and Strawn formations please find attached waivers from these operators. These waivers signify that they have no objection in the dual completion and should complete your request to dual the well.

As per my letter of April 6, 1990, we are requesting administrative approval for dual completion. We would appreciate your expediting this approval.

Sincerely yours,


Paul Ragsdale
Engineer

PR/cvg

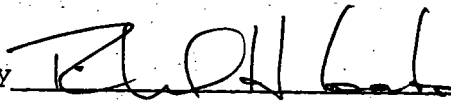
xc: Artesia OCD
Janet Richardson

May 24, 1990

TXO Production Corporation hereby waives any objection to Yates Petroleum Corporation dually completing in the Morrow and Strawn formations the Zia "ZS" Federal Com #1 well, located in the E/2 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico.

TXO PRODUCTION CORPORATION

By



Title

Senior Landman

Paul L. LAGORALE

ZIA ZS Well File

May 22, 1990

Harvey E. Yates Company hereby waives any objection to Yates Petroleum Corporation dually completing in the Morrow and Strawn formations the Zia "ZS" Federal Com #1 well, located in the E/2 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico.

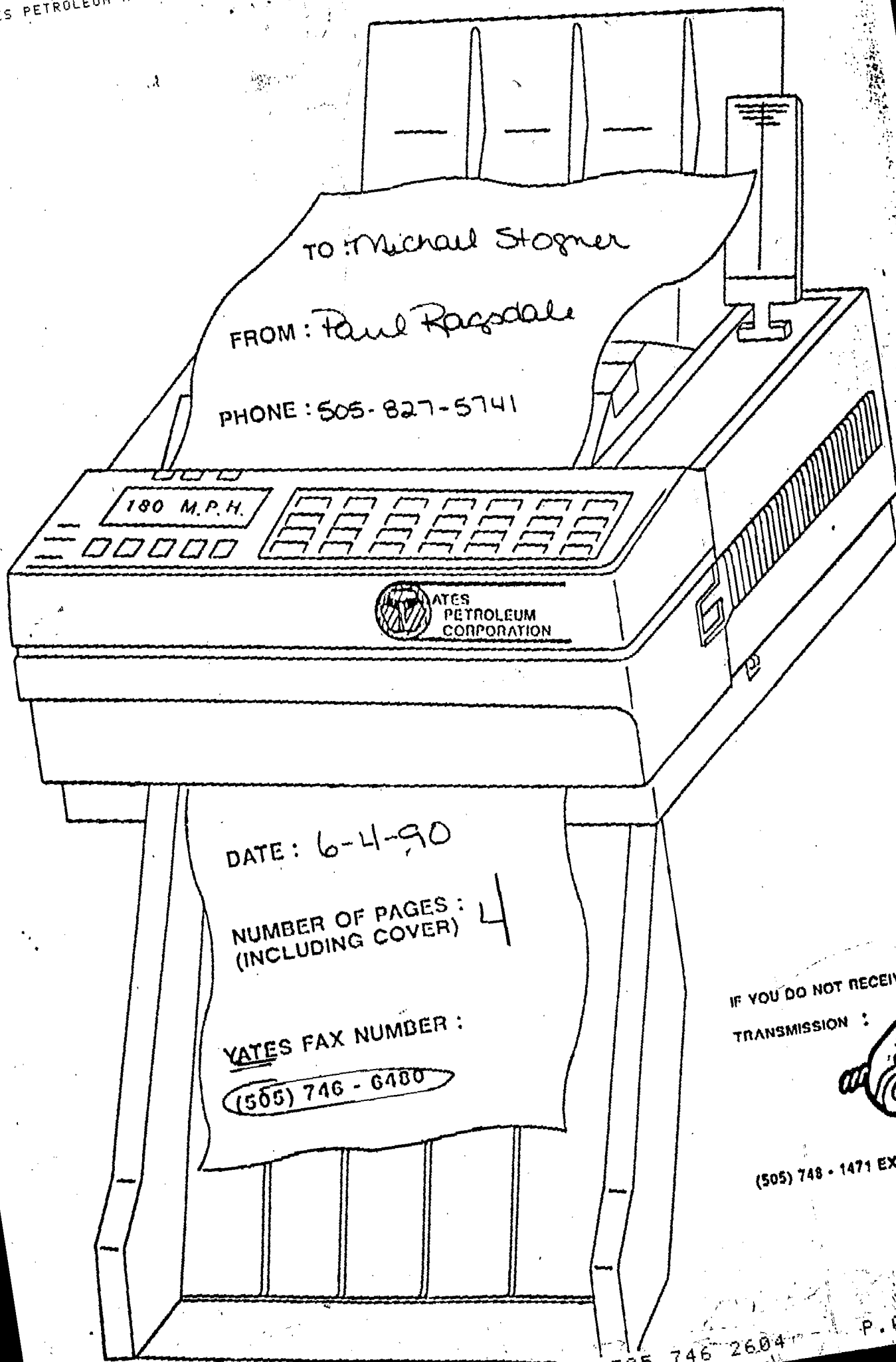
HARVEY E. YATES COMPANY

By

David B. Pray

Title

Chief Geologist



TO: Michael Stogner
FROM: Paul Ragsdale
PHONE: 505-827-5741

180 M.P.H.



YATES
PETROLEUM
CORPORATION

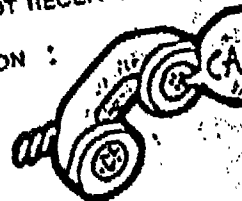
DATE: 6-4-90

NUMBER OF PAGES:
(INCLUDING COVER) 4

YATES FAX NUMBER:

(505) 746-6480

IF YOU DO NOT RECEIVE ALL OF THE
TRANSMISSION :



(505) 748-1471 EXT. 187

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

June 4, 1990

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

ATTN: Michael E. Stogner

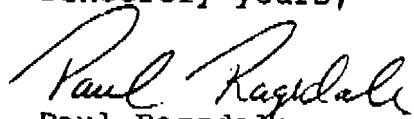
RE: Zia "ZS" Fed Com #1
Dual Completion 14-T20S-R29E

Gentlemen:

Pursuant to your request to notify the offset operators of Yates Petroleum desire to dual complete the referenced Zia ZS Fed Com #1 in Morrow and Strawn formations please find attached waivers from these operators. These waivers signify that they have no objection in the dual completion and should complete your request to dual the well.

As per my letter of April 6, 1990, we are requesting administrative approval for dual completion. We would appreciate your expediting this approval.

Sincerely yours,


Paul Ragsdale
Engineer

PR/cvg

xc: Artesia OCD
Janet Richardson

May 24, 1990

TXO Production Corporation hereby waives any objection to Yates Petroleum Corporation dually completing in the Morrow and Strawn formations the Zia "ZS" Federal Com #1 well, located in the E/2 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico.

TXO PRODUCTION CORPORATION

By [Signature]Title Senior Landman

Zia ZS WellfileMay 22, 1990

Harvey E. Yates Company hereby waives any objection to Yates Petroleum Corporation dually completing in the Morrow and Strawn formations the Zia "ZS" Federal Com #1 well, located in the E/2 of Section 14, Township 20 South, Range 29 East, Eddy County, New Mexico.

HARVEY E. YATES COMPANY

By: David B. PrangeTitle Chief Geologist

$$\begin{array}{r}
 61.7 \frac{1}{2} \\
 1018.81 \\
 \hline
 36.75 \\
 1684.56 \\
 \hline
 2.85 \\
 \hline
 1678.71
 \end{array}$$

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



RECEIVED
'90 APR 27 AM 10 02

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

April 25, 1990

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico

ATTN: Michael E. Stogner

Re: Zia "ZS" Fed Com No. 1
Dual Completion
Eddy County, NM

Dear Mr. Stogner:

Pursuant to your request of April 17, 1990 to furnish more information before any action can be taken to dual complete the referenced well in the the Morrow and the Strawn formations the following is submitted for your approval.

1. What is the subsurface location of the perforated interval for both zones?
Morrow zone: 12,202' to 12,432' (measured depth)
2172 FNL & 1799 FEL Sec 14-T20S-R29E
Strawn Zone: 11,127' to 11,290' (measured depth) 6000 MCF
1840 FNL & 1763 FEL Sec 14-T20S-R29E
2. Will DD-32 need to be amended to show an unorthodox subsurface location for the Strawn interval? Based on a 320 acre proration unit consisting of the east half of Section 14, the location is unorthodox and DD-32 will need to be amended.
3. Does the Morrow interval meet the 50 foot radius requirement as set forth in DD-32? No, the bottom hole location at 12785 feet (measured depth) is 2377 FNL and 1823 FEL in Sec 14-20S-R29E. The target site was 2480 FNL & 1980 FEL Sec 14-20S-R29E. Therefore, the "bottom" is 187 feet from the target site. However, the subsurface location of the Morrow interval is orthodox on a 320 acre proration unit.

Michael E. Stogner
April 25, 1990
-2-

4. Please submit additional test data for Morrow production showing its liquid content if any:
Perfs 12202-12383 produced 510 MCF, 0 BO and 0 BW on 24 hr production test on 4-9-90.
Perfs 12424-12432 produced 926 MCF, 4 BO and 0 BW on 24 hr production test on 2-23-90.
5. Please submit pressure information from both intervals. Attached are bottom hole buildups for the Morrow zone
2/22 to 2/25 4718.2 psi
3/7 to 3/11 4159.2 psi
3/18 4292 psi

The Strawn zone is flowing and has not been shut in for buildup. Attached are original static bottomhole buildups for the Strawn formation for the Slinkard UR #1 & #2 located in Sec 11-T20S-R29E.

Slinkard UR #1	8/14/82	4772 psi
Slinkard UR #2	3/25/84	4720 psi

Bottomhole pressures will be furnished as soon as they are taken.

Thank you for your cooperation in this matter. Should you need further information please contact me.

Sincerely,


Paul Ragsdale
Petroleum Engineer

PR/cvg

CUSTOMER : YATES PETROLEUM COMPANY

WELL # : ZIA "ZS" FEDERAL COM NO. 1

LOCATION : EDDY COUNTY, NEW MEXICO

DATE : 12-26-89, 12-27-89, 1-12-90, 2-2-90

JOB TYPE : GYRO, MULTISHOT, MULTISHOT, MULTISHOT

JOB # : GS-2308, MS-2309, MS-2313, MS-2320

SURVEYOR : MASSEY, MASSEY, MASSEY, MASSEY

DEPTHS : 0'-12785'

DECL. : 9 DEGREES EAST

ELEV. : 10'

FILE # : WT-QQ11S

DIG

METHOD : RADIUS OF CURVATURE

SECTION : S3.26E

THIS SURVEY IS CORRECT TO THE #
BEST OF MY KNOWLEDGE AND IS #
SUPPORTED BY ACTUAL FIELD DATA. #

Larry Massey #
----- DIG REPRESENTATIVE ----- #
#*****

FINAL STATION DATA!

MEASURED # INCL. # HOLE # COURSE # VERTICAL # VERTICAL # RECTANGULAR # CLOSURE # DOG-LEG
DEPTH # ANGLE # DIRECTION # LENGTH # DEPTH # SECTION # COORDINATES # DISTANCE # DIRECTION # SEVERITY
FEET # DEGS. # DEGS. # FEET # FEET # FEET # N/S feet E/W # FEET # DEGS. # DG/100FT

12785.00 # 19.75 # S 06.00 W # 42.00 # 12146.77 # 2953.14 # 2940.72 S 301.98 E # 2956.19' S 05.86 E # 0.00

YATES PETROLEUM COMPANY
ZIA "ZS" FEDERAL COM NO. 1
WT-QQ11S

PAGE 1
14:23:09
00/01/01

MEASURED	INCL.	HOLE	COURSE	VERTICAL	VERTICAL	RECTANGULAR	CLOSURE	DOG-LEG
DEPTH	ANGLE	DIRECTION	LENGTH	DEPTH	SECTION	COORDINATES	DISTANCE	SEVERITY
FEET	DEGS.	DEGS.	FEET	FEET	FEET	N/S feet E/W	FEET	DEGS.
								DO/100FT
0.00	0.00	*****	0.00	0.00	0.00	0.00 N 0.00 E	0.00' N 00.00 E	0.00
100.00	.10	N 36.00 E	100.00	100.00	-.07	.07 N .05 E	.09' N 36.00 E	.10
200.00	.50	N 67.00 E	100.00	200.00	-.37	.39 N .46 E	.60' N 49.28 E	.42
300.00	.70	N 65.00 E	100.00	299.99	-.74	.82 N 1.41 E	1.63' N 59.91 E	.20
400.00	.80	N 54.00 E	100.00	399.98	-1.34	1.48 N 2.54 E	2.94' N 59.73 E	.17
500.00	.70	N 57.00 E	100.00	499.98	-2.01	2.22 N 3.62 E	4.25' N 58.43 E	.11
600.00	.90	N 71.00 E	100.00	599.97	-2.55	2.83 N 4.87 E	5.63' N 59.80 E	.28
700.00	1.00	N 79.00 E	100.00	699.95	-2.89	3.26 N 6.47 E	7.25' N 63.24 E	.17
800.00	1.10	N 77.00 E	100.00	799.94	-3.17	3.64 N 8.26 E	9.03' N 66.20 E	.11
900.00	1.50	N 71.00 E	100.00	899.91	-3.67	4.27 N 10.44 E	11.28' N 67.77 E	.42
1000.00	1.50	N 70.00 E	100.00	999.88	-4.40	5.14 N 12.91 E	13.90' N 68.28 E	.03
1100.00	1.60	N 73.00 E	100.00	1099.84	-5.11	6.00 N 15.47 E	16.60' N 60.80 E	.13
1200.00	1.30	N 77.00 E	100.00	1199.81	-5.63	6.66 N 17.92 E	19.11' N 69.62 E	.32
1300.00	1.10	N 80.00 E	100.00	1299.78	-5.93	7.07 N 19.97 E	21.19' N 70.50 E	.21
1400.00	.90	N 80.00 E	100.00	1399.77	-6.13	7.38 N 21.69 E	22.91' N 71.22 E	.20
1500.00	.70	N 87.00 E	100.00	1499.76	-6.21	7.53 N 23.07 E	24.27' N 71.92 E	.22
1600.00	.30	N 89.00 E	100.00	1599.76	-6.19	7.56 N 23.95 E	25.11' N 72.47 E	.40
1700.00	.50	N 69.00 E	100.00	1699.75	-6.28	7.70 N 24.63 E	25.80' N 72.65 E	.24
1800.00	.20	N 57.00 E	100.00	1799.75	-6.53	7.97 N 25.17 E	26.40' N 72.42 E	.31
1900.00	0.00	*****	100.00	1899.75	-6.62	8.07 N 25.32 E	26.57' N 72.32 E	.20
2000.00	.10	N 04.00 W	100.00	1999.75	-6.70	8.16 N 25.31 E	26.59' N 72.14 E	.10
2100.00	.20	N 07.00 W	100.00	2099.75	-6.96	8.42 N 25.29 E	26.65' N 71.59 E	.10
2200.00	0.00	*****	100.00	2199.75	-7.14	8.59 N 25.27 E	26.69' N 71.22 E	.20
2300.00	.20	N 07.00 W	100.00	2299.75	-7.31	8.76 N 25.24 E	26.72' N 70.86 E	.20
2400.00	.50	S 84.00 E	100.00	2399.75	-7.67	9.14 N 25.62 E	27.20' N 70.36 E	.58

YATES PETROLEUM COMPANY

21A "ZS" FEDERAL COM NO. 1

WT-QQ11S

PAGE 2

14:24:04

00/01/01

MEASURED	INCL.	HOLE	COURSE	TRUE	VERTICAL	VERTICAL	RECTANGULAR	C L D S U R E	DOG-LEG
DEPTH	ANGLE	DIRECTION	LENGTH	DEPTH	SECTION	COORDINATES	DISTANCE	DIRECTION	SEVERITY
FEET	DEGS.	DEGS.	FEET	FEET	FEET	N/S	feet E/W	FEET	DEGS.
									DG/100FT

2500.00	.50	S 65.00 E	100.00	2499.74	-7.39	8.91 N	26.45 E	27.91' N 71.39 E	.17
2600.00	.70	S 52.00 E	100.00	2599.74	-6.80	8.36 N	27.35 E	28.60' N 72.99 E	.24
2700.00	1.00	S 75.00 E	100.00	2699.73	-6.06	7.71 N	28.66 E	29.68' N 74.95 E	.45
2800.00	1.10	S 71.00 E	100.00	2799.71	-5.43	7.17 N	30.42 E	31.25' N 76.73 E	.12
2900.00	1.20	S 86.00 E	100.00	2899.69	-4.92	6.77 N	32.38 E	33.08' N 78.19 E	.32

3000.00	1.00	N 88.00 E	100.00	2999.67	-4.78	6.74 N	34.30 E	34.95' N 78.89 E	.23
3100.00	.60	N 76.00 E	100.00	3099.66	-4.89	6.93 N	35.68 E	36.34' N 79.00 E	.43
3200.00	.80	N 73.00 E	100.00	3199.65	-5.15	7.26 N	36.85 E	37.56' N 78.86 E	.20
3250.00	.90	N 49.00 E	50.00	3249.65	-5.47	7.62 N	37.50 E	38.26' N 78.52 E	.73

DIG CYRO SURVEY TO 3250' MD

3342.00	1.20	N 59.00 E	92.00	3341.63	-6.38	8.61 N	38.86 E	39.80' N 77.51 E	.38
---------	------	-----------	-------	---------	-------	--------	---------	------------------	-----

3436.00	1.10	N 85.00 E	94.00	3435.61	-6.86	9.18 N	40.64 E	41.66' N 77.27 E	.56
3530.00	.90	N 75.00 E	94.00	3529.60	-7.05	9.47 N	42.25 E	43.30' N 77.37 E	.28
3625.00	1.20	N 50.00 E	95.00	3624.58	-7.76	10.27 N	43.78 E	44.97' N 76.80 E	.57
3719.00	1.10	N 38.00 E	94.00	3718.57	-9.04	11.62 N	45.09 E	46.56' N 75.55 E	.28
3813.00	1.00	N 13.00 E	94.00	3812.55	-10.54	13.16 N	45.83 E	47.68' N 73.98 E	.49

3907.00	.30	N 15.00 E	94.00	3906.54	-11.55	14.20 N	46.09 E	48.22' N 72.88 E	.74
4001.00	.70	N 45.00 E	94.00	4000.54	-12.23	14.90 N	46.49 E	48.82' N 72.23 E	.49
4096.00	.90	N 44.00 E	95.00	4095.53	-13.12	15.85 N	47.42 E	50.00' N 71.52 E	.21
4190.00	.70	N 31.00 E	94.00	4189.52	-14.12	16.88 N	48.22 E	51.09' N 70.70 E	.29
4284.00	.50	N 20.00 E	94.00	4283.52	-14.98	17.77 N	48.64 E	51.79' N 69.93 E	.24

DIG MULTISHOT SURVEY TO 4284' MD

4356.00	.50	S 14.00 W	72.00	4355.51	-14.83	17.65 N	49.04 E	52.12' N 70.20 E	1.39
4449.00	1.75	S 37.00 W	93.00	4448.49	-13.24	16.01 N	48.26 E	50.84' N 71.64 E	1.40
4542.00	4.00	S 40.00 W	93.00	4541.37	-9.76	12.36 N	45.35 E	47.01' N 74.75 E	2.42
4636.00	4.25	S 32.00 W	94.00	4635.13	-4.53	6.90 N	41.38 E	41.95' N 80.54 E	.67
4729.00	5.00	S 21.00 W	93.00	4727.82	-1.97	.20 N	38.04 E	38.04' N 89.70 E	1.25

YATES PETROLEUM COMPANY
Z1A "ZS" FEDERAL CON NO. 1
WF-GQ11S

PAGE 3
14:25:00
00/01/01

TRUE											
MEASURED	INCL.	HOLE	COURSE	VERTICAL	VERTICAL	RECTANGULAR	CLOSURE	DUG-LEG			
DEPTH	ANGLE	DIRECTION	LENGTH	DEPTH	SECTION	COORDINATES	DISTANCE	DIRECTION	SEVERITY		
FEET	DEGS.	DEGS.	FEET	FEET	FEET	N/S feet E/W	FEET	DEGS.	DG/100FT		
4822.00	6.25	S 19.00 W	93.00	4820.37	10.34	8.37 S	34.92 E	35.91' S 76.53 E	1.36		
4916.00	6.50	S 20.00 W	94.00	4913.79	19.96	18.21 S	31.44 E	36.33' S 59.92 E	.29		
5009.00	6.50	S 19.00 W	93.00	5006.19	29.67	28.13 S	27.92 E	39.64' S 44.79 E	.12		
5102.00	6.25	S 18.00 W	93.00	5098.62	39.26	37.92 S	24.65 E	45.23' S 33.02 E	.29		
5195.00	6.25	S 20.00 W	93.00	5191.07	48.63	47.50 S	21.35 E	52.07' S 24.21 E	.23		
5289.00	6.25	S 21.00 W	94.00	5284.51	58.00	57.08 S	17.77 E	59.78' S 17.29 E	.12		
5382.00	9.00	S 24.00 W	93.00	5376.68	69.11	68.48 S	13.05 E	69.71' S 10.79 E	2.99		
5475.00	11.75	S 09.00 W	93.00	5468.15	84.83	84.49 S	8.30 E	84.90' S 05.61 E	4.12		
5569.00	14.25	S 03.00 W	94.00	5559.73	105.68	105.51 S	6.09 E	105.68' S 03.31 E	3.02		
5662.00	17.00	S 02.00 E	93.00	5649.28	130.67	130.55 S	5.88 E	130.68' S 02.58 E	3.29		
5755.00	20.00	S 03.00 E	93.00	5737.47	160.17	160.02 S	7.16 E	160.18' S 02.56 E	3.24		
5849.00	19.00	S 05.00 E	94.00	5826.08	191.55	191.32 S	9.35 E	191.55' S 02.80 E	1.28		
5942.00	18.50	S 05.00 E	93.00	5914.14	221.43	221.10 S	11.96 E	221.43' S 03.10 E	.54		
6035.00	18.50	S 06.00 E	93.00	6002.33	250.91	250.48 S	14.79 E	250.91' S 03.38 E	.34		
6041.00	18.56	S 06.06 E	6.00	6008.02	252.82	252.37 S	14.99 E	252.82' S 03.40 E	1.13		
6128.00	19.50	S 07.00 E	87.00	6090.27	281.14	280.56 S	18.21 E	281.15' S 03.71 E	1.13		
6222.00	21.25	S 11.00 E	94.00	6178.38	313.70	312.88 S	23.33 E	313.74' S 04.26 E	2.38		
6315.00	23.00	S 15.00 E	93.00	6264.53	348.21	347.00 S	31.21 E	348.40' S 05.14 E	2.48		
6408.00	26.25	S 19.00 E	93.00	6349.06	385.84	384.04 S	42.54 E	386.39' S 06.32 E	3.93		
6502.00	27.25	S 21.00 E	94.00	6433.00	426.35	423.80 S	57.00 E	427.61' S 07.66 E	1.43		
6595.00	28.00	S 21.00 E	93.00	6515.40	467.42	464.05 S	72.46 E	469.68' S 08.87 E	.81		
6688.00	29.25	S 22.00 E	93.00	6597.03	509.74	505.51 S	88.79 E	513.24' S 09.96 E	1.44		
6781.00	29.25	S 21.00 E	93.00	6678.17	552.90	547.79 S	105.44 E	557.84' S 10.90 E	.53		
6875.00	27.25	S 18.00 E	94.00	6760.97	595.61	589.72 S	120.29 E	601.86' S 11.53 E	2.61		
6968.00	24.25	S 12.00 E	93.00	6844.73	635.14	628.72 S	130.74 E	642.17' S 11.75 E	4.27		

MEASURED INCL. HOLE COURSE VERTICAL VERTICAL RECTANGULAR CLOSURE DOG-LEG											
DEPTH ANGLE DIRECTION LENGTH DEPTH SECTION COORDINATES DISTANCE DIRECTION SEVERITY											
FEET DEGS. DEGS. FEET FEET FEET N/S Feet E/W FEET DEGS. DG/100FT											
7061.00	25.50	S 10.00 E	93.00	6929.10	673.90	667.12 S	138.21 E	681.29'	S 11.70 E	1.62	
7155.00	25.00	S 04.00 E	94.00	7014.11	713.89	706.90 S	143.09 E	721.24'	S 11.44 E	2.77	
7248.00	25.25	S 01.00 E	93.00	7098.32	753.37	746.35 S	144.81 E	760.27'	S 10.98 E	1.40	
7341.00	24.00	S 02.00 E	93.00	7182.86	792.11	785.00 S	145.83 E	798.51'	S 10.52 E	1.42	
7435.00	25.00	S 03.00 W	94.00	7268.39	830.99	824.05 S	145.49 E	836.79'	S 10.01 E	2.45	
7528.00	25.25	S 05.00 W	93.00	7352.59	870.16	863.44 S	142.73 E	875.16'	S 09.39 E	.95	
7621.00	26.50	S 04.00 W	93.00	7436.27	910.37	903.90 S	139.55 E	914.61'	S 08.78 E	1.42	
7714.00	28.25	S 03.00 W	93.00	7518.85	952.83	946.58 S	136.94 E	956.43'	S 08.23 E	1.95	
7808.00	29.50	S 02.00 W	94.00	7601.16	998.00	991.93 S	134.96 E	1001.07'	S 07.75 E	1.43	
7901.00	29.00	S 02.00 W	93.00	7682.30	1043.25	1037.34 S	133.37 E	1045.88'	S 07.33 E	.54	
7994.00	27.00	S 00.00 E	93.00	7764.41	1086.78	1080.99 S	132.61 E	1089.09'	S 06.99 E	2.38	
8088.00	25.50	S 00.00 E	94.00	7848.72	1128.29	1122.57 S	132.61 E	1130.37'	S 06.74 E	1.60	
8181.00	24.75	S 01.00 E	93.00	7932.92	1167.73	1162.05 S	132.95 E	1169.63'	S 06.53 E	.93	
8274.00	23.50	S 04.00 E	93.00	8017.79	1205.73	1200.02 S	134.61 E	1207.55'	S 06.40 E	1.88	
8367.00	24.00	S 04.00 E	93.00	8102.92	1243.19	1237.38 S	137.22 E	1244.97'	S 06.33 E	.54	
8461.00	25.25	S 06.00 E	94.00	8188.36	1282.33	1276.40 S	140.64 E	1284.13'	S 06.29 E	1.60	
8554.00	26.50	S 06.00 E	93.00	8272.04	1322.87	1316.76 S	144.88 E	1324.71'	S 06.28 E	1.34	
8647.00	27.00	S 06.00 E	93.00	8355.09	1364.68	1358.39 S	149.26 E	1366.57'	S 06.27 E	.54	
8741.00	27.00	S 08.00 E	94.00	8438.84	1407.26	1400.75 S	154.46 E	1409.24'	S 06.29 E	.97	
8834.00	27.25	S 10.00 E	93.00	8521.61	1449.45	1442.63 S	161.09 E	1451.59'	S 06.37 E	1.02	
8927.00	27.25	S 11.00 E	93.00	8604.29	1491.69	1484.49 S	168.85 E	1494.07'	S 06.49 E	.49	
9021.00	27.25	S 12.00 E	94.00	8687.86	1534.29	1526.67 S	177.43 E	1536.95'	S 06.63 E	.49	
9114.00	27.75	S 11.00 E	93.00	8770.35	1576.79	1568.75 S	185.99 E	1579.74'	S 06.76 E	.73	
9207.00	28.00	S 12.00 E	93.00	8852.56	1619.82	1611.36 S	194.66 E	1623.07'	S 06.89 E	.57	
9300.00	28.50	S 12.00 E	93.00	8934.48	1663.33	1654.41 S	203.81 E	1666.92'	S 07.02 E	.54	

MEASURED INCL. HOLE COURSE VERTICAL VERTICAL RECTANGULAR CLOSURE DOG-LEG											
DEPTH ANGLE DIRECTION LENGTH DEPTH SECTION COORDINATES DISTANCE DIRECTION SEVERITY											
FEET DEGS. DEGS. FEET FEET FEET N/S feet E/W FEET DEGS. DG/100FT											
9382.00	28.94	S 12.00 E	82.00	9006.40	1702.27	1692.95 S	212.00 E	1706.18'	S 07.14 E		.53
9394.00	29.00	S 12.00 E	12.00	9016.89	1708.02	1698.64 S	213.21 E	1711.97'	S 07.15 E		.53
9487.00	29.75	S 13.00 E	93.00	9097.94	1753.04	1743.18 S	223.09 E	1757.39'	S 07.29 E		.96
9530.00	30.25	S 13.00 E	43.00	9135.10	1774.23	1764.12 S	227.92 E	1778.79'	S 07.36 E		1.16
DIG MULTISHOT SURVEY TO 9530' MD											
9583.00	31.25	S 14.00 E	53.00	9180.72	1800.90	1790.47 S	234.25 E	1805.73'	S 07.45 E		2.12
9676.00	32.50	S 14.00 E	93.00	9259.70	1849.15	1838.12 S	246.13 E	1854.53'	S 07.63 E		1.34
9770.00	33.50	S 15.00 E	94.00	9338.53	1899.36	1887.69 S	258.95 E	1905.37'	S 07.81 E		1.21
9864.00	33.75	S 15.00 E	94.00	9416.80	1950.32	1937.97 S	272.42 E	1957.02'	S 08.00 E		.27
9926.00	32.43	S 15.00 E	62.00	9468.75	1983.46	1970.66 S	281.18 E	1990.62'	S 08.12 E		2.13
9958.00	31.75	S 15.00 E	32.00	9495.86	2000.11	1987.08 S	285.58 E	2007.50'	S 08.18 E		2.13
10053.00	30.00	S 13.00 E	95.00	9577.39	2048.00	2034.38 S	297.37 E	2056.00'	S 08.32 E		2.14
10147.00	26.75	S 13.00 E	94.00	9660.09	2092.02	2077.90 S	307.42 E	2100.52'	S 08.42 E		3.46
10241.00	23.50	S 16.00 E	94.00	9745.18	2131.16	2116.54 S	317.41 E	2140.20'	S 08.53 E		3.71
10334.00	24.25	S 20.00 E	93.00	9830.22	2167.56	2152.33 S	329.04 E	2177.33'	S 08.69 E		1.92
10429.00	24.50	S 21.00 E	95.00	9916.75	2205.00	2189.05 S	342.77 E	2215.72'	S 08.90 E		.51
10520.00	21.25	S 16.00 E	91.00	10000.59	2239.11	2222.58 S	353.99 E	2250.59'	S 09.05 E		4.16
10614.00	19.25	S 07.00 E	94.00	10088.77	2271.28	2254.43 S	360.47 E	2283.07'	S 09.08 E		3.93
10708.00	18.25	S 04.00 E	94.00	10177.98	2301.47	2284.50 S	363.37 E	2313.22'	S 09.04 E		1.48
10806.00	17.25	S 00.00 E	92.00	10265.40	2329.50	2312.53 S	364.34 E	2341.05'	S 08.95 E		1.71
10892.00	16.25	S 02.00 W	92.00	10353.50	2355.94	2339.03 S	363.88 E	2367.17'	S 08.84 E		1.25
10987.00	17.00	S 01.00 W	95.00	10444.53	2383.03	2366.20 S	363.17 E	2393.91'	S 08.73 E		.84
11081.00	16.50	S 03.00 W	94.00	10534.54	2410.00	2393.28 S	362.22 E	2420.53'	S 08.61 E		.81
11116.00	16.60	S 03.38 W	35.00	10568.09	2419.91	2403.23 S	361.67 E	2430.29'	S 08.56 E		.41
11173.00	16.75	S 04.00 W	57.00	10622.69	2436.14	2419.55 S	360.62 E	2446.27'	S 08.48 E		.41
11248.00	16.95	S 04.00 W	75.00	10694.47	2457.71	2441.24 S	359.10 E	2467.51'	S 08.37 E		.27

YATES PETROLEUM COMPANY

Z1A "ZS" FEDERAL-COM NO. 1

WF-QQ11S

PAGE 6

14:27:45

00/01/01

MEASURED	INCL.	HOLE	COURSE	TRUE	VERTICAL	VERTICAL	RECTANGULAR	CLOSURE	DOG-LEG
DEPTH	ANGLE	DIRECTION	LENGTH	DEPTH	SECTION	COORDINATES	DISTANCE	DIRECTION	SEVERITY
FEET	DEGS.	DEGS.	FEET	FEET	FEET	N/S feet E/W	FEET	DEGS.	DG/100FT

11266.00	17.00	S 04.00 W	18.00	10711.69	2462.92	2446.40 S	358.73 E	2472.64' S 08.34 E	.27
11358.00	18.25	S 04.00 W	92.00	10799.37	2490.55	2474.27 S	356.79 E	2499.86' S 08.21 E	1.36
11452.00	19.25	S 06.00 W	94.00	10888.38	2520.45	2504.37 S	354.16 E	2529.28' S 08.05 E	1.26
11494.00	19.69	S 06.00 W	42.00	10927.97	2534.27	2518.29 S	352.69 E	2542.87' S 07.97 E	1.05
11547.00	20.25	S 06.00 W	53.00	10977.79	2552.14	2536.29 S	350.80 E	2560.44' S 07.87 E	1.05

11642.00	20.25	S 03.00 W	95.00	11066.92	2584.71	2569.07 S	348.22 E	2592.56' S 07.72 E	1.09
11736.00	19.00	S 09.00 W	94.00	11155.45	2615.86	2600.45 S	344.92 E	2623.23' S 07.56 E	2.52
11830.00	18.50	S 09.00 W	94.00	11244.46	2645.38	2630.29 S	340.20 E	2652.20' S 07.37 E	.53
11925.00	18.75	S 08.00 W	95.00	11334.49	2675.09	2660.30 S	335.71 E	2681.40' S 07.19 E	.43
12020.00	19.25	S 08.00 W	95.00	11424.31	2705.42	2690.93 S	331.41 E	2711.26' S 07.02 E	.53

12115.00	19.25	S 07.00 W	95.00	11514.00	2736.19	2721.98 S	327.32 E	2741.59' S 06.86 E	.35
12154.00	19.25	S 07.00 W	39.00	11550.82	2748.84	2734.74 S	325.75 E	2754.08' S 06.79 E	0.00
12210.00	19.25	S 07.00 W	56.00	11603.69	2767.01	2753.07 S	323.50 E	2772.01' S 06.70 E	0.00
12304.00	19.00	S 07.00 W	94.00	11692.50	2797.31	2783.64 S	319.75 E	2801.94' S 06.55 E	.27
12397.00	18.75	S 07.00 W	93.00	11780.50	2826.92	2813.50 S	316.08 E	2831.20' S 06.41 E	.27

12489.00	18.75	S 06.02 W	92.00	11867.62	2856.06	2842.88 S	312.73 E	2860.03' S 06.20 E	.34
12491.00	18.75	S 06.00 W	2.00	11869.51	2856.70	2843.52 S	312.66 E	2860.66' S 06.27 E	.34
12585.00	19.25	S 06.00 W	94.00	11958.39	2886.90	2873.95 S	309.46 E	2890.57' S 06.15 E	.53
12631.00	19.49	S 06.48 W	46.00	12001.79	2901.95	2889.12 S	307.81 E	2905.47' S 06.08 E	.63
12681.00	19.75	S 07.00 W	50.00	12048.88	2918.48	2905.79 S	305.84 E	2921.84' S 06.01 E	.63

12743.00	19.75	S 06.00 W	62.00	12107.24	2939.13	2926.61 S	303.46 E	2942.30' S 05.92 E	.55
----------	-------	-----------	-------	----------	---------	-----------	----------	--------------------	-----

STATION AT 12785' MD IS PROJECTED

12785.00	19.75	S 06.00 W	42.00	12146.77	2953.14	2940.72 S	301.98 E	2956.19' S 05.86 E	0.00
----------	-------	-----------	-------	----------	---------	-----------	----------	--------------------	------

CLOSURE DISTANCE = 2956.19 FEET.

CLOSURE DIRECTION = S-05.86 E

JARREL SERVICES, INC.
PHONE (505) 393-1736
HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

COMPANY: Yates Petroleum Corporation
LEASE: Zia 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: 30 minute flow; 100 hour shut in

CONTACT: Paul Ragsdale
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Harrah

PERFORATIONS FROM: 12,424.0' TO: 12,432.0'
DEPTH: 12,250.0' TEMPERATURE: 179.0°F

ELEMENT: 22694 RANGE: 6400 psig
CLOCK: 21469 RANGE: 120 hrs
ELEMENT: 850368 RANGE: 6100 psig
CLOCK: 22146 RANGE: 120 hrs

SURFACE PRESSURE MEASUREMENTS

EVENT	DATE	TIME	DEAD WEIGHT PRESSURE
START CLOCK	03/07/90	10:30:00	1,144.0 psig
SET ELEMENT	03/07/90	12:30:00	1,144.0 psig
WELL SHUT IN	03/07/90	13:00:00	1,144.0 psig
TEST ENDED	03/11/90	17:00:00	3,056.0 psig

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
03/07/90	12:30:00	-.500	1,668.0	1,681.2	1,697.2
03/07/90	13:00:00	0.000	1,668.0	1,681.2	1,697.2
03/07/90	13:05:00	.083	1,819.0	1,832.2	1,848.2
03/07/90	13:10:00	.167	1,961.0	1,974.2	1,990.2
03/07/90	13:15:00	.250	2,058.0	2,071.2	2,087.2
03/07/90	13:20:00	.333	2,143.0	2,156.2	2,172.2
03/07/90	13:25:00	.417	2,224.0	2,237.2	2,253.2
03/07/90	13:30:00	.500	2,301.0	2,314.2	2,330.2
03/07/90	13:35:00	.583	2,383.0	2,396.2	2,412.2
03/07/90	13:40:00	.667	2,463.0	2,476.2	2,492.2
03/07/90	13:45:00	.750	2,546.0	2,559.2	2,575.2
03/07/90	13:50:00	.833	2,628.0	2,641.2	2,657.2
03/07/90	13:55:00	.917	2,703.0	2,716.2	2,732.2
03/07/90	14:00:00	1.000	2,774.0	2,787.2	2,803.2
03/07/90	14:15:00	1.250	2,939.0	2,952.2	2,968.2
03/07/90	14:30:00	1.500	3,099.0	3,112.2	3,128.2
03/07/90	14:45:00	1.750	3,251.0	3,264.2	3,280.2
03/07/90	15:00:00	2.000	3,375.0	3,388.2	3,404.2
03/07/90	15:15:00	2.250	3,484.0	3,497.2	3,513.2
03/07/90	15:30:00	2.500	3,552.0	3,565.2	3,581.2
03/07/90	15:45:00	2.750	3,595.0	3,608.2	3,624.2
03/07/90	16:00:00	3.000	3,643.0	3,656.2	3,672.2

JARREL SERVICES, INC.
 PHONE (505) 393-1736
 HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
03/07/90	16:15:00	3.250	3,681.0	3,694.2	3,710.2
03/07/90	16:30:00	3.500	3,712.0	3,725.2	3,741.2
03/07/90	16:45:00	3.750	3,737.0	3,750.2	3,766.2
03/07/90	17:00:00	4.000	3,760.0	3,773.2	3,789.2
03/07/90	17:15:00	4.250	3,780.0	3,793.2	3,809.2
03/07/90	17:30:00	4.500	3,797.0	3,810.2	3,826.2
03/07/90	17:45:00	4.750	3,812.0	3,825.2	3,841.2
03/07/90	18:00:00	5.000	3,825.0	3,838.2	3,854.2
03/07/90	19:00:00	6.000	3,871.0	3,884.2	3,900.2
03/07/90	20:00:00	7.000	3,914.0	3,927.2	3,943.2
03/07/90	21:00:00	8.000	3,934.0	3,947.2	3,963.2
03/07/90	22:00:00	9.000	3,952.0	3,965.2	3,981.2
03/07/90	23:00:00	10.000	3,965.0	3,978.2	3,994.2
03/08/90	00:00:00	11.000	3,975.0	3,988.2	4,004.2
03/08/90	01:00:00	12.000	3,984.0	3,997.2	4,013.2
03/08/90	02:00:00	13.000	3,993.0	4,006.2	4,022.2
03/08/90	03:00:00	14.000	4,002.0	4,015.2	4,031.2
03/08/90	04:00:00	15.000	4,010.0	4,023.2	4,039.2
03/08/90	05:00:00	16.000	4,017.0	4,030.2	4,046.2
03/08/90	06:00:00	17.000	4,023.0	4,036.2	4,052.2
03/08/90	07:00:00	18.000	4,028.0	4,041.2	4,057.2
03/08/90	08:00:00	19.000	4,033.0	4,046.2	4,062.2
03/08/90	09:00:00	20.000	4,037.0	4,050.2	4,066.2
03/08/90	11:00:00	22.000	4,044.0	4,057.2	4,073.2
03/08/90	13:00:00	24.000	4,050.0	4,063.2	4,079.2
03/08/90	15:00:00	26.000	4,054.0	4,067.2	4,083.2
03/08/90	17:00:00	28.000	4,058.0	4,071.2	4,087.2
03/08/90	19:00:00	30.000	4,062.0	4,075.2	4,091.2
03/08/90	21:00:00	32.000	4,066.0	4,079.2	4,095.2
03/08/90	23:00:00	34.000	4,069.0	4,082.2	4,098.2
03/09/90	01:00:00	36.000	4,071.0	4,084.2	4,100.2
03/09/90	03:00:00	38.000	4,073.0	4,086.2	4,102.2
03/09/90	05:00:00	40.000	4,075.0	4,088.2	4,104.2
03/09/90	10:00:00	45.000	4,080.0	4,093.2	4,109.2
03/09/90	15:00:00	50.000	4,085.0	4,098.2	4,114.2
03/09/90	20:00:00	55.000	4,090.0	4,103.2	4,119.2
03/10/90	01:00:00	60.000	4,095.0	4,108.2	4,124.2
03/10/90	06:00:00	65.000	4,100.0	4,113.2	4,129.2
03/10/90	11:00:00	70.000	4,105.0	4,118.2	4,134.2
03/10/90	16:00:00	75.000	4,110.0	4,123.2	4,139.2
03/10/90	21:00:00	80.000	4,115.0	4,128.2	4,144.2
03/11/90	02:00:00	85.000	4,119.0	4,132.2	4,148.2
03/11/90	07:00:00	90.000	4,123.0	4,136.2	4,152.2
03/11/90	12:00:00	95.000	4,127.0	4,140.2	4,156.2
03/11/90	17:00:00	100.000	4,130.0	4,143.2	4,159.2

JARREL SERVICES, INC.
Box 1230
Hobbs, New Mexico 88240

<<Flowing Gradient Survey>>

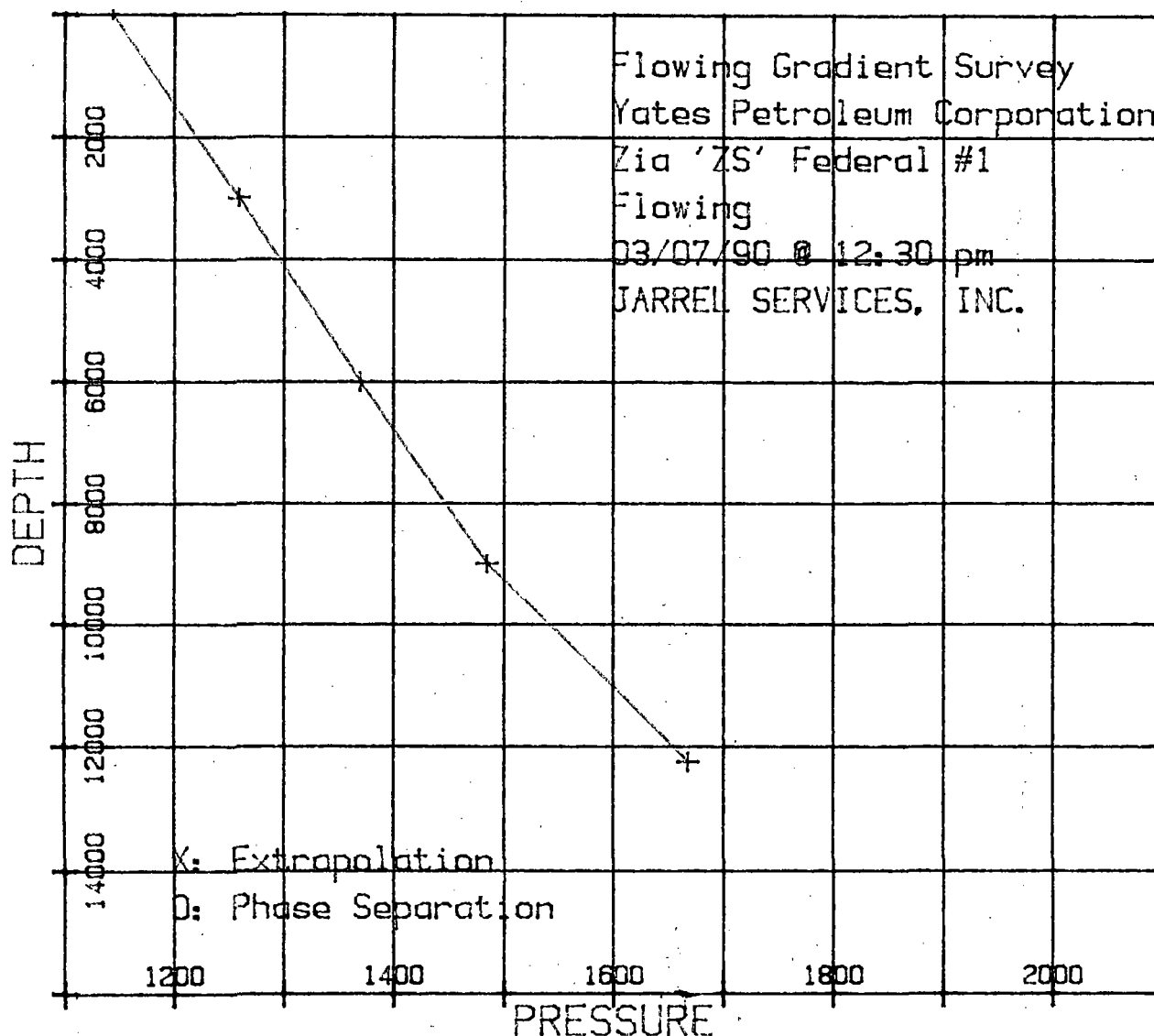
COMPANY: Yates Petroleum Corporation
LEASE: Zia 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: Flowing
PERFORATIONS FROM: 12424 ft
DEPTH: 12250 ft

Date: 03/07/90 @ 12:30 pm
CONTACT: Paul Ragsdale
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Harrah
TO: 12432 ft
TEMPERATURE: 179°F

TABULAR DATA

DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	1144		
3000	1259	0.038	
6000	1370	0.037	
9000	1485	0.038	
12250	1668	0.056	

NOTE: Explanations are included to clarify calculated data points.



TEST DATE: 03/07/90 TO 03/11/90
TEST DEPTH: 12250 ft
ELEMENT NO: 850368
RANGE: 6100 psig
CLOCK: 22146
RANGE: 120 hrs
OPERATOR: Harrah

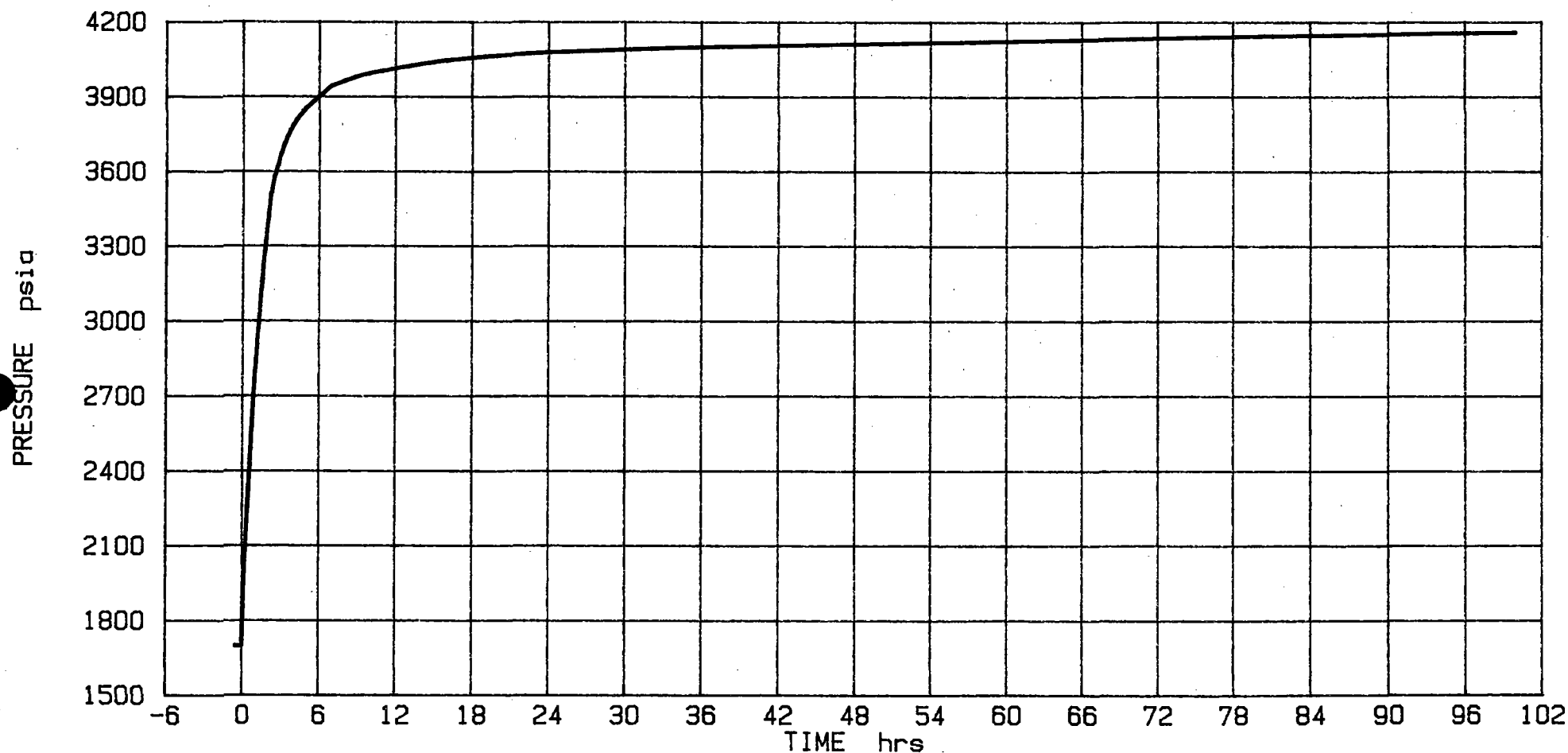
Yates Petroleum Corporation

Zia 'ZS' Federal #1

Burton Flat - Morrow

JARREL SERVICES, INC.

Box 1230 Hobbs, N. M. 88240 (505) 393-1736



JARREL SERVICES, INC.
Box 1230
Hobbs, New Mexico 88240

<<Static Gradient Survey>>

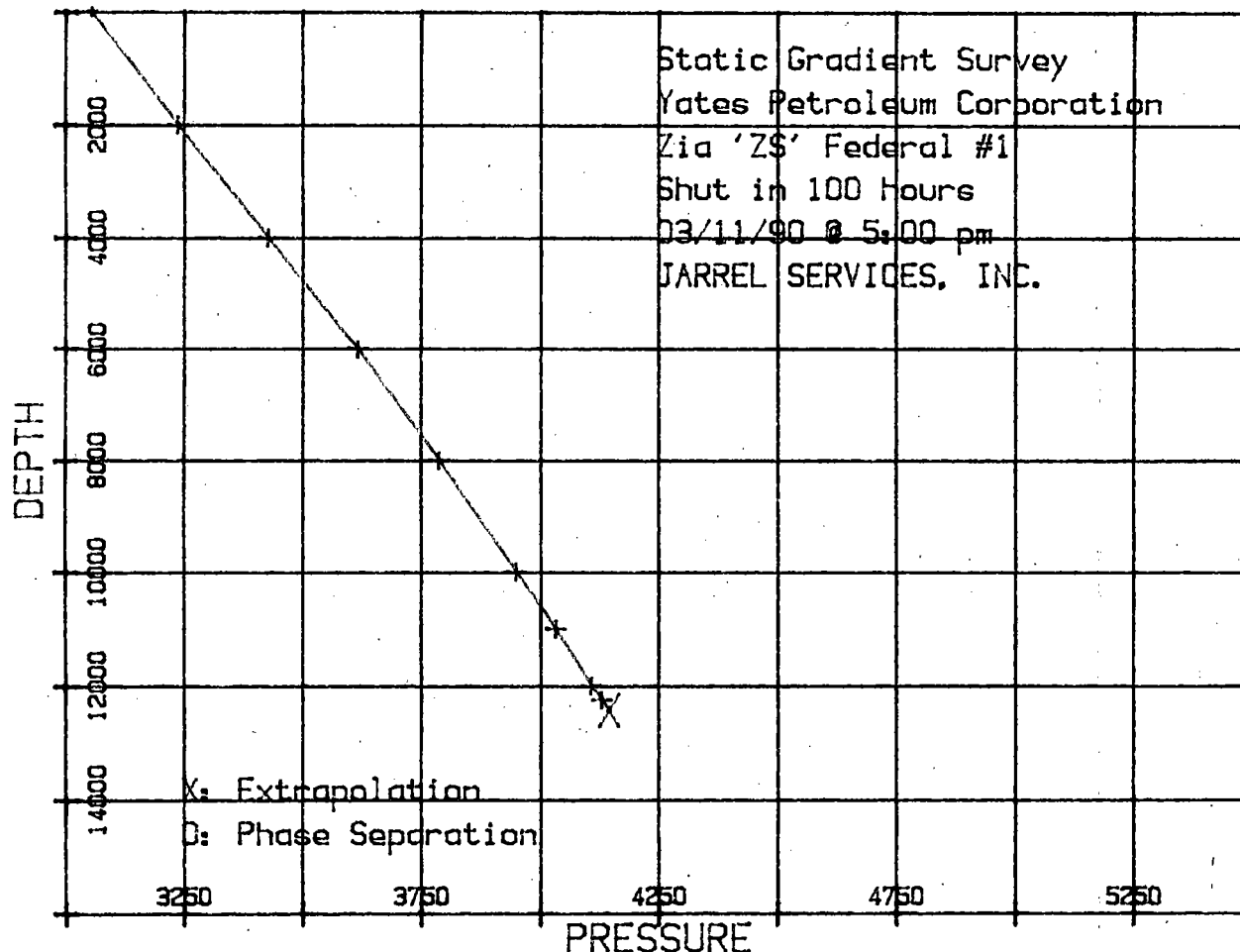
COMPANY: Yates Petroleum Corporation
LEASE: Zia 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: Shut in 100 hours
PERFORATIONS FROM: 12424 ft
DEPTH: 12250 ft

Date: 03/11/90 @ 5:00 pm
CONTACT: Paul Ragsdale
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Standefer
TO: 12432 ft
TEMPERATURE: 179°F

TABULAR DATA

DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	3056		
2000	3238	0.091	
4000	3428	0.095	
6000	3618	0.095	
8000	3788	0.085	
10000	3950	0.081	
11000	4033	0.083	
12000	4108	0.075	
12250	4130	0.088	
12428	4146	0.088	<=Extrapolated BHP

NOTE: Explanations are included to clarify calculated data points.



JARREL SERVICES, INC.
 PHONE (505) 393-1736
 HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

COMPANY: Yates Petroleum Corporation
 LEASE: 71a '78' Federal
 FIELD: Burton Flat
 COUNTY: Eddy
 STATUS: 30 minute flow; 72 hour shut in

CONTACT: Don Mayberry
 WELL: #1
 ZONE: Morrow
 STATE: New Mexico
 OPERATOR: Dickerson

PERFORATIONS FROM: 12,424.0'
 DEPTH: 12,250.0'

TO: 12,432.0'
 TEMPERATURE: 179.0°F

ELEMENT: 14637
 CLOCK: 22655
 ELEMENT: 22694
 CLOCK: 14852

RANGE: 6250 psig
 RANGE: 120 hrs
 RANGE: 6400 psig
 RANGE: 72 hrs

SURFACE PRESSURE MEASUREMENTS

EVENT	DATE	TIME	DEAD WEIGHT PRESSURE
START CLOCK	02/22/90	13:00:00	316.0 psig
SET ELEMENT	02/22/90	14:15:00	316.0 psig
WELL SHUT IN	02/22/90	14:45:00	316.0 psig
TEST ENDED	02/25/90	14:45:00	3,431.0 psig

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
02/22/90	14:15:00	-.500	656.0	669.2	688.2
02/22/90	14:45:00	0.000	656.0	669.2	688.2
02/22/90	14:50:00	.083	805.0	818.2	837.2
02/22/90	14:55:00	.167	935.0	948.2	967.2
02/22/90	15:00:00	.250	1,050.0	1,063.2	1,082.2
02/22/90	15:05:00	.333	1,166.0	1,179.2	1,198.2
02/22/90	15:10:00	.417	1,298.0	1,311.2	1,330.2
02/22/90	15:15:00	.500	1,430.0	1,443.2	1,462.2
02/22/90	15:20:00	.583	1,555.0	1,568.2	1,587.2
02/22/90	15:25:00	.667	1,690.0	1,703.2	1,722.2
02/22/90	15:30:00	.750	1,803.0	1,816.2	1,835.2
02/22/90	15:35:00	.833	1,916.0	1,929.2	1,948.2
02/22/90	15:40:00	.917	2,022.0	2,035.2	2,054.2
02/22/90	15:45:00	1.000	2,129.0	2,142.2	2,161.2
02/22/90	16:00:00	1.250	2,389.0	2,402.2	2,421.2
02/22/90	16:15:00	1.500	2,668.0	2,681.2	2,700.2
02/22/90	16:30:00	1.750	2,932.0	2,945.2	2,964.2
02/22/90	16:45:00	2.000	3,173.0	3,186.2	3,205.2
02/22/90	17:00:00	2.250	3,390.0	3,403.2	3,422.2
02/22/90	17:15:00	2.500	3,582.0	3,595.2	3,614.2
02/22/90	17:30:00	2.750	3,761.0	3,774.2	3,793.2
02/22/90	17:45:00	3.000	3,893.0	3,906.2	3,925.2

JARREL SERVICES, INC.
 PHONE (505) 393-1736
 HOBBS, NEW MEXICO, 88240

PRESSURE TRANSIENT TEST DATA

SUBSURFACE PRESSURE MEASUREMENTS

DATE	TIME	t hrs	GAUGE PRESSURE psig	ABSOLUTE PRESSURE psia	RESERVOIR PRESSURE psia
02/22/90	18:00:00	3.250	4,013.0	4,026.2	4,043.2
02/22/90	18:15:00	3.500	4,104.0	4,117.2	4,136.2
02/22/90	18:30:00	3.750	4,176.0	4,189.2	4,208.2
02/22/90	18:45:00	4.000	4,233.0	4,246.2	4,265.2
02/22/90	19:00:00	4.250	4,280.0	4,293.2	4,312.2
02/22/90	19:15:00	4.500	4,318.0	4,331.2	4,350.2
02/22/90	19:30:00	4.750	4,352.0	4,365.2	4,384.2
02/22/90	19:45:00	5.000	4,374.0	4,387.2	4,406.2
02/22/90	20:45:00	6.000	4,440.0	4,453.2	4,472.2
02/22/90	21:45:00	7.000	4,469.0	4,482.2	4,501.2
02/22/90	22:45:00	8.000	4,494.0	4,507.2	4,526.2
02/22/90	23:45:00	9.000	4,513.0	4,526.2	4,545.2
02/23/90	00:45:00	10.000	4,529.0	4,542.2	4,561.2
02/23/90	01:45:00	11.000	4,541.0	4,554.2	4,573.2
02/23/90	02:45:00	12.000	4,551.0	4,564.2	4,583.2
02/23/90	03:45:00	13.000	4,560.0	4,573.2	4,592.2
02/23/90	04:45:00	14.000	4,569.0	4,582.2	4,601.2
02/23/90	05:45:00	15.000	4,578.0	4,591.2	4,610.2
02/23/90	06:45:00	16.000	4,585.0	4,598.2	4,617.2
02/23/90	07:45:00	17.000	4,591.0	4,604.2	4,623.2
02/23/90	08:45:00	18.000	4,598.0	4,611.2	4,630.2
02/23/90	09:45:00	19.000	4,604.0	4,617.2	4,636.2
02/23/90	10:45:00	20.000	4,610.0	4,623.2	4,642.2
02/23/90	12:45:00	22.000	4,620.0	4,633.2	4,652.2
02/23/90	14:45:00	24.000	4,629.0	4,642.2	4,661.2
02/23/90	16:45:00	26.000	4,635.0	4,648.2	4,667.2
02/23/90	18:45:00	28.000	4,641.0	4,654.2	4,673.2
02/23/90	20:45:00	30.000	4,647.0	4,660.2	4,679.2
02/23/90	22:45:00	32.000	4,651.0	4,664.2	4,683.2
02/24/90	00:45:00	34.000	4,655.0	4,668.2	4,687.2
02/24/90	02:45:00	36.000	4,658.0	4,671.2	4,690.2
02/24/90	04:45:00	38.000	4,661.0	4,674.2	4,693.2
02/24/90	06:45:00	40.000	4,664.0	4,677.2	4,696.2
02/24/90	11:45:00	45.000	4,670.0	4,683.2	4,702.2
02/24/90	16:45:00	50.000	4,673.0	4,686.2	4,705.2
02/24/90	21:45:00	55.000	4,676.0	4,689.2	4,708.2
02/25/90	02:45:00	60.000	4,679.0	4,692.2	4,711.2
02/25/90	07:45:00	65.000	4,682.0	4,695.2	4,714.2
02/25/90	12:45:00	70.000	4,685.0	4,698.2	4,717.2
02/25/90	14:45:00	72.000	4,686.0	4,699.2	4,718.2

JARREL SERVICES, INC.
Box 1230
Hobbs, New Mexico 88240

<<Flowing Gradient Survey>>

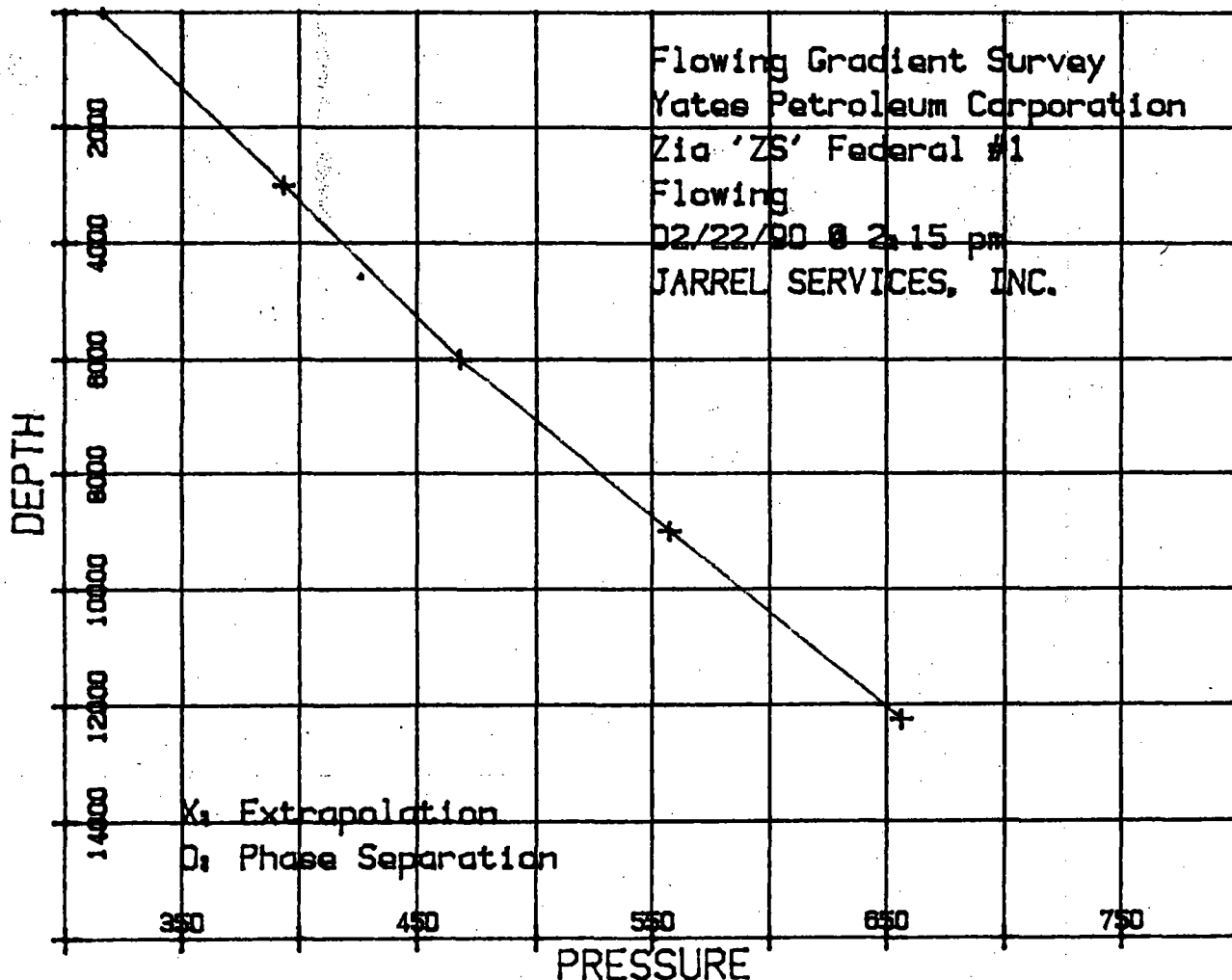
COMPANY: Yates Petroleum Corporation
LEASE: Zia 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: Flowing
PERFORATIONS FROM: 12424 ft
DEPTH: 12250 ft

Date: 02/22/90 @ 2:15 pm
CONTACT: Don Mayberry
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Dickerson
TD: 12432 ft
TEMPERATURE: 179°F

TABULAR DATA

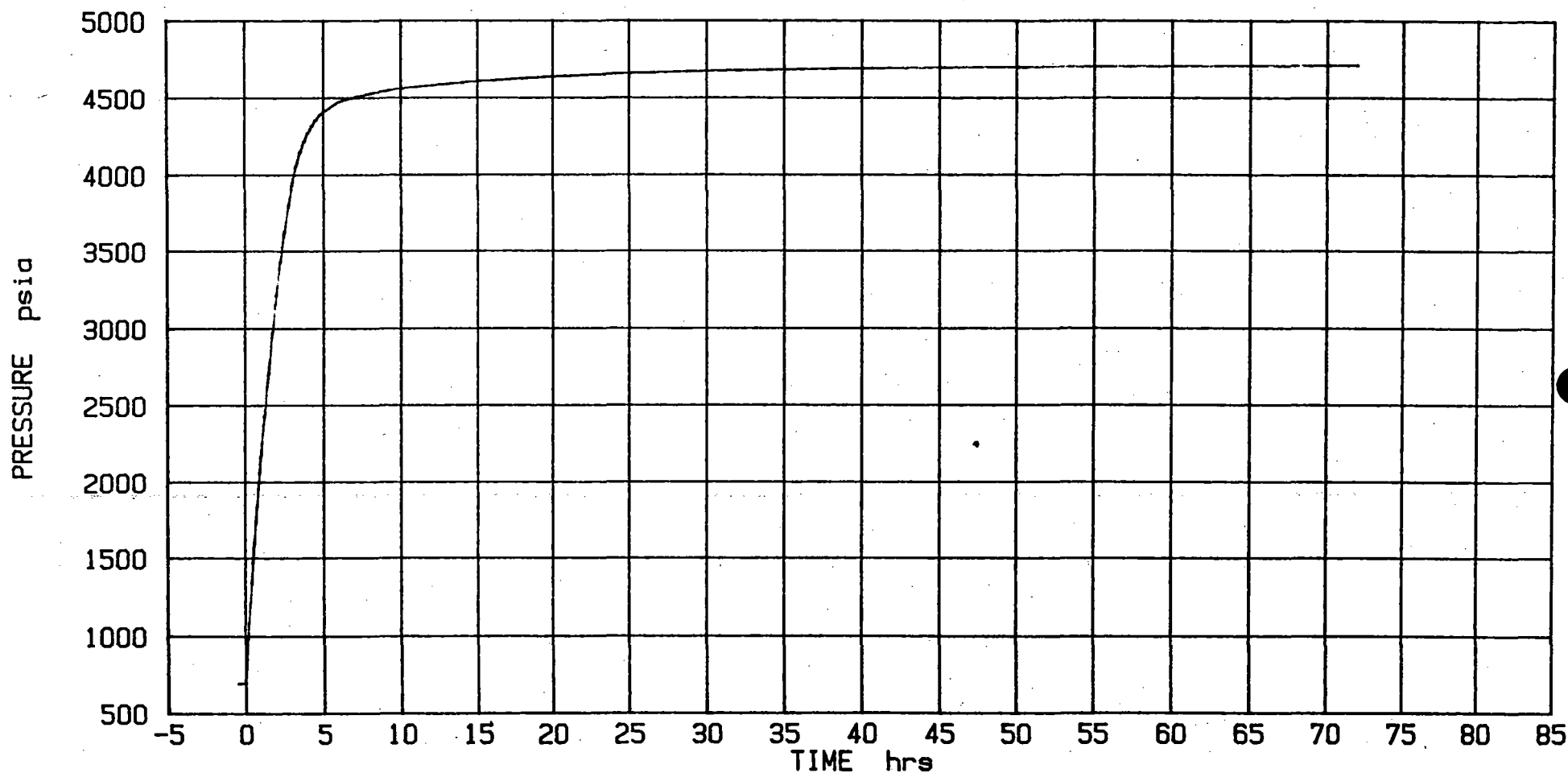
DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	316		
3000	393	0.026	
6000	468	0.025	
9000	557	0.030	
12250	656	0.030	

NOTE: Explanations are included to clarify calculated data points.



TEST DATE: 02/22/90 TO 02/25/90
TEST DEPTH: 12250 ft
ELEMENT NO: 22694
RANGE: 6400 psig
CLOCK: 14852
RANGE: 72 hrs
OPERATOR: Dickerson

Yates Petroleum Corporation
Zia 'ZS' Federal #1
Burton Flat - Morrow
JARREL SERVICES, INC. Box 1230 Hobbs, N. M. 88240 (505) 393-1736



JARREL SERVICES, INC.
Box 1230
Hobbs, New Mexico 88240

<<Static Gradient Survey>>

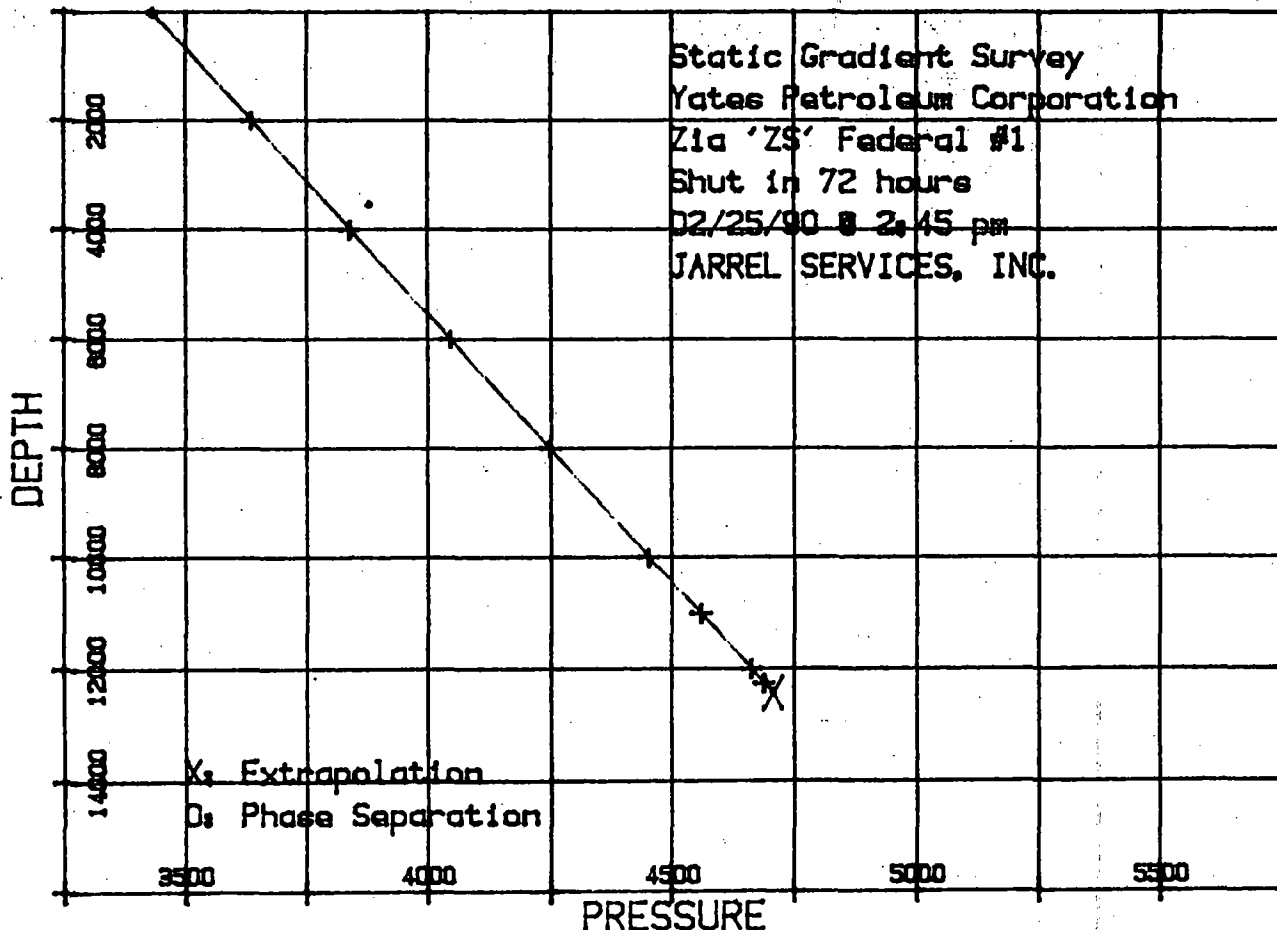
COMPANY: Yates Petroleum Corporation
LEASE: 71a 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: Shut in 72 hours
PERFORATIONS FROM: 12424 ft
DEPTH: 12250 ft

Date: 02/25/90 @ 2:45 pm
CONTACT: Don Mayberry
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Standefer
TO: 12432 ft
TEMPERATURE: 179°F

TABULAR DATA

DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	3431		
2000	3633	0.101	
4000	3839	0.103	
6000	4046	0.104	
8000	4247	0.101	
10000	4451	0.102	
11000	4557	0.106	
12000	4660	0.103	
12250	4686	0.104	
12428	4705	0.104	<=Extrapolated BHP

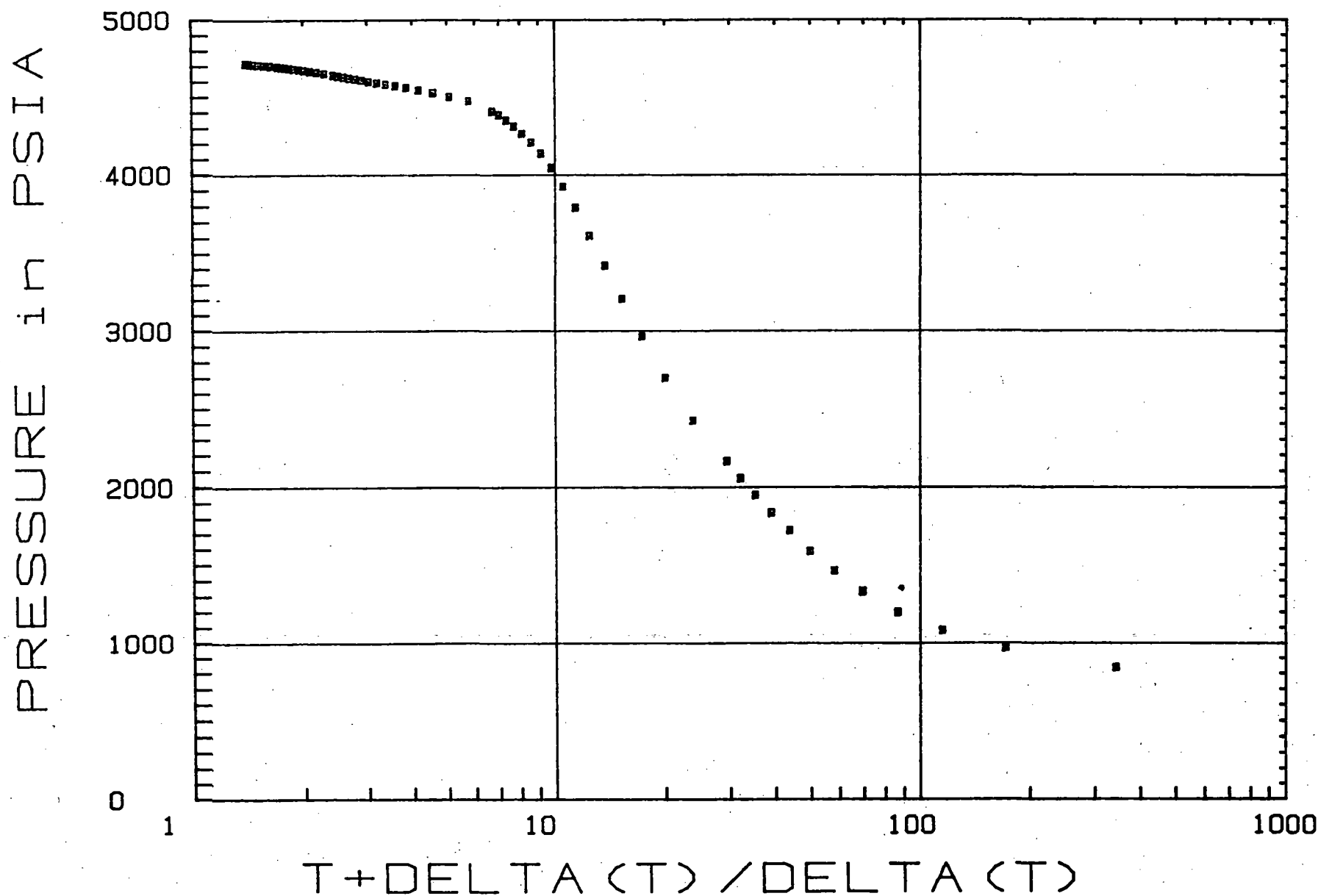
NOTE: Explanations are included to clarify calculated data points.



HORNER PLOT

Yates Petroleum Corporation
Zia 'ZS' Federal #1
Burton Flat Field

Eddy County, New Mexico
Data from 02/22/90 - 02/25/90
Horner 'Producing' Time = 28.5 Hrs



(505) 393-1736

JARREL SERVICES Inc.

Yates Petroleum Corporation
Zia '28' Federal #1
Burton Flat Field
Eddy County, New Mexico

Test Data From 02/22/90 - 02/25/90

List of Events

02/22/90	13:00:00	Start Instrument Clock
02/22/90	14:15:00	Instrument on Bottom
02/22/90	14:45:00	Well Shut-in
02/25/90	14:45:00	Instrument Off Bottom

Important Test Information

Measured Depth To Instrument= 12250 ft
Datum at Which Pressures are Reported= 12428 ft
Correction To Datum= A Bias of 19 psi
Flowing Pressure Before Shut-in (Pwf) = 688.2 psia
Horner 'Producing' Time = 28.5 Hrs

TIME (hours)	SORT TIME	DELTA TIME	HORNER TIME	PRESSURE (psia)	DELTA PRESS.
-----------------	--------------	---------------	----------------	--------------------	-----------------

-.5000				688.2	
0.0000				688.2	
.0833	.2887	.0833	343.00	837.2	149.0
.1667	.4082	.1667	172.00	967.2	279.0
.2500	.5000	.2500	115.00	1082.2	394.0
.3333	.5773	.3333	86.50	1198.2	510.0
.4167	.6455	.4167	69.40	1330.2	642.0

TIME (hours)	SOPT TIME	DELTA TIME	HORNER TIME	PRESSURE (psia)	DELTA PRESS.
.5000	.7071	.5000	58.00	1462.2	774.0
.5833	.7638	.5833	49.86	1587.2	899.0
.6667	.8165	.6667	43.75	1722.2	1034.0
.7500	.8660	.7500	39.00	1835.2	1147.0
.8333	.9129	.8333	35.20	1948.2	1260.0
.9167	.9574	.9167	32.09	2054.2	1366.0
1.0000	1.0000	1.0000	29.50	2161.2	1473.0
1.2500	1.1180	1.2500	23.80	2421.2	1733.0
1.5000	1.2247	1.5000	20.00	2700.2	2012.0
1.7500	1.3229	1.7500	17.29	2964.2	2276.0
2.0000	1.4142	2.0000	15.25	3205.2	2517.0
2.2500	1.5000	2.2500	13.67	3422.2	2734.0
2.5000	1.5811	2.5000	12.40	3614.2	2926.0
2.7500	1.6583	2.7500	11.36	3793.2	3105.0
3.0000	1.7321	3.0000	10.50	3925.2	3237.0
3.2500	1.8028	3.2500	9.77	4045.2	3357.0
3.5000	1.8708	3.5000	9.14	4136.2	3448.0
3.7500	1.9365	3.7500	8.60	4208.2	3520.0
4.0000	2.0000	4.0000	8.13	4265.2	3577.0
4.2500	2.0616	4.2500	7.71	4312.2	3624.0
4.5000	2.1213	4.5000	7.33	4350.2	3662.0
4.7500	2.1794	4.7500	7.00	4384.2	3696.0
5.0000	2.2361	5.0000	6.70	4406.2	3718.0
6.0000	2.4495	6.0000	5.75	4472.2	3784.0
7.0000	2.6458	7.0000	5.07	4501.2	3813.0
8.0000	2.8284	8.0000	4.56	4526.2	3838.0
9.0000	3.0000	9.0000	4.17	4545.2	3857.0
10.0000	3.1623	10.0000	3.85	4561.2	3873.0
11.0000	3.3166	11.0000	3.59	4573.2	3885.0
12.0000	3.4641	12.0000	3.38	4583.2	3895.0
13.0000	3.6056	13.0000	3.19	4592.2	3904.0
14.0000	3.7417	14.0000	3.04	4601.2	3913.0
15.0000	3.8730	15.0000	2.90	4610.2	3922.0
16.0000	4.0000	16.0000	2.78	4617.2	3929.0
17.0000	4.1231	17.0000	2.68	4623.2	3935.0
18.0000	4.2426	18.0000	2.58	4630.2	3942.0
19.0000	4.3589	19.0000	2.50	4636.2	3948.0
20.0000	4.4721	20.0000	2.43	4642.2	3954.0
22.0000	4.6904	22.0000	2.30	4652.2	3964.0
24.0000	4.8990	24.0000	2.19	4661.2	3973.0
26.0000	5.0990	26.0000	2.10	4667.2	3979.0
28.0000	5.2915	28.0000	2.02	4673.2	3985.0
30.0000	5.4772	30.0000	1.95	4679.2	3991.0

TIME (hours)	SOBT TIME	DELTA TIME	HORNER TIME	PRESSURE (psia)	DELTA PRESS.
-----------------	--------------	---------------	----------------	--------------------	-----------------

32.0000	5.6569	32.0000	1.89	4683.2	3995.0
34.0000	5.8310	34.0000	1.84	4687.2	3999.0
36.0000	6.0000	36.0000	1.79	4690.2	4002.0
38.0000	6.1644	38.0000	1.75	4693.2	4005.0
40.0000	6.3246	40.0000	1.71	4696.2	4008.0
45.0000	6.7082	45.0000	1.63	4702.2	4014.0
50.0000	7.0711	50.0000	1.57	4705.2	4017.0
55.0000	7.4162	55.0000	1.52	4708.2	4020.0
60.0000	7.7460	60.0000	1.48	4711.2	4023.0
65.0000	8.0623	65.0000	1.44	4714.2	4026.0
70.0000	8.3666	70.0000	1.41	4717.2	4029.0
72.0000	8.4853	72.0000	1.40	4718.2	4030.0



Laboratory Services

1331 Tasker Drive
Hobbs, New Mexico 88240

Telephone: (505) 397-3713

FOR: Jarrel Services
Attention: Mr. Donny Jarrel
P. O. Box 1230
Hobbs, New Mexico 88240

SAMPLE
IDENTIFICATION: Zia "2S" Federal #1
COMPANY: Yates Petroleum
LEASE:
PLANT:

SAMPLE DATA:	DATE SAMPLED: 02-22-90	GAS (XX)	LIQUID ()
	ANALYSIS DATE: 02-22-90	SAMPLED BY: Donny Jarrel	
	PRESSURE - PSIG	ANALYSIS BY: Rolland Perry	
	SAMPLE TEMP. °F		
	ATMOS. TEMP. °F		

REMARKS:

COMPONENT ANALYSIS

COMPONENT		MOL PERCENT	GPM	
Hydrogen Sulfide	(H2S)	0.00		
Nitrogen	(N2)	0.65		
Carbon Dioxide	(CO2)	0.98		
Methane	(C1)	90.83		
Ethane	(C2)	4.95	1.317	
Propane	(C3)	1.51	0.415	
I-Butane	(IC4)	0.27	0.089	
N-Butane	(NC4)	0.28	0.089	
I-Pentane	(IC5)	0.14	0.051	
N-Pentane	(NC5)	0.07	0.025	
Hexane	(C6)	0.30	0.130	
Heptanes Plus	(C7+)	0.00	0.000	
		100.00	2.115	
BTU/CU.FT. - DRY		1084	MOLECULAR WT.	18.0742
AT 14.650	DRY	1087		
AT 14.650	WET	1068	26# GASOLINE -	0.235
AT 15.025	DRY	1060		
AT 15.025	WET	1042		
SPECIFIC GRAVITY -				
CALCULATED		0.624		
MEASURED				

ZIA ZS #1
3-18-90
4292 psi

<<Static Gradient Survey>>

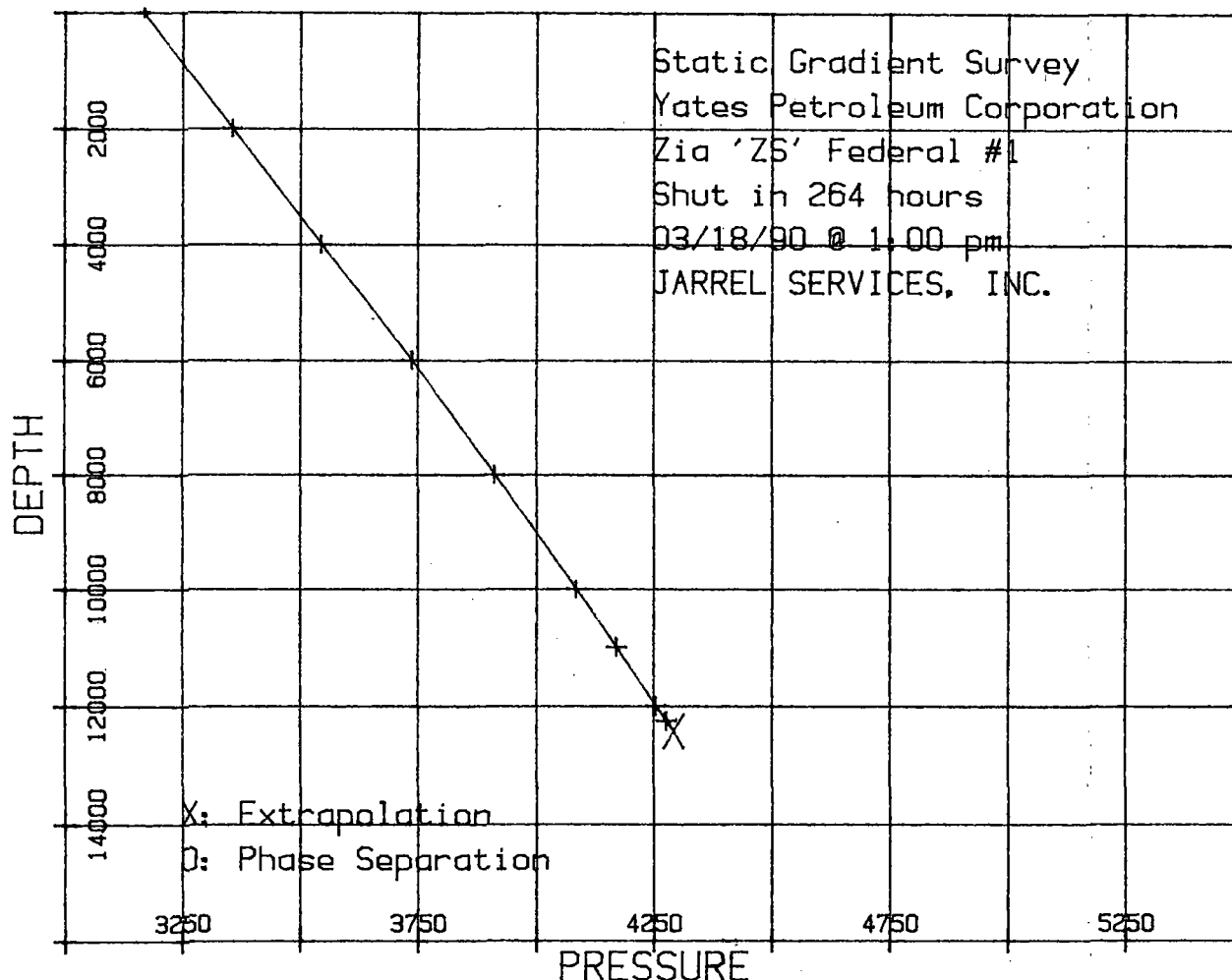
COMPANY: Yates Petroleum Corporation
LEASE: Zia 'ZS' Federal
FIELD: Burton Flat
COUNTY: Eddy
STATUS: Shut in 264 hours
PERFORATIONS FROM: 12424 ft
DEPTH: 12250 ft

Date: 03/18/90 @ 1:00 pm
CONTACT: Ed Perry
WELL: #1
ZONE: Morrow
STATE: New Mexico
OPERATOR: Standefer
TO: 12432 ft
TEMPERATURE: 179°F

TABULAR DATA

DEPTH (ft)	PRESSURE (psi)	GRADIENT (psi/ft)	EXPLANATIONS
0	3167		
2000	3355	0.094	
4000	3544	0.095	
6000	3737	0.097	
8000	3912	0.088	
10000	4084	0.086	
11000	4170	0.086	
12000	4254	0.084	
12250	4276	0.088	
12428	4292	0.088	<=Extrapolated BHP

NOTE: Explanations are included to clarify calculated data points.





BENNETT-CATHEY WIRE LINE SERVICE

P. O. BOX 787

ARTESIA, NEW MEXICO 88210

Phone (505) 746-3281



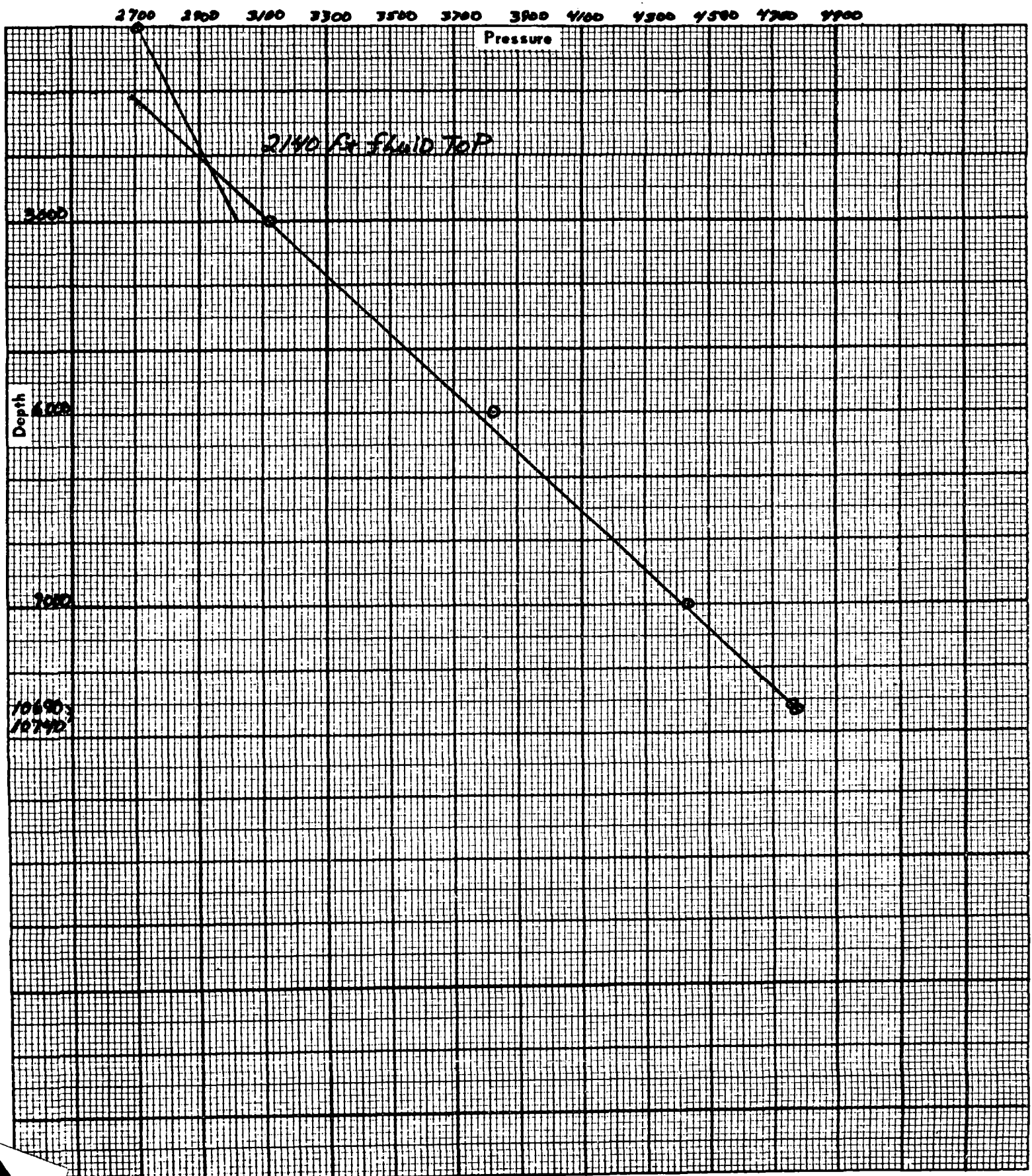
BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR YATES PETROLEUM CORP.
LEASE SLINKARD "UR" FEDERAL
WELL NO. 1
POOL FORMATION
DATE 8-14-82 TIME 1535 HOURS
CO. MAN LARRY DADE
STATUS SHUT IN TEST DEPTH 10,740
TIME S.I. 1100 HRS LAST TEST DATE
8-13-82 BHP LAST TEST
TUB. PRES. 2707 BHP CHANGE
CAS. PRES. FLUID TOP 2140 FEET
DATUM PLANE WATER TOP
DATUM PSIA 4772 RUN BY STEVE HARWELL
TEMP 214° CLOCK #
PRESSURE RANGE 7,000 LBS.
ELEMENT NO. RPG3 #43798

DEPTH	PRESSURE	GRADIENT
0	2707	
3,000	3122	13.8
6,000	3827	23.5
9,000	4432	20.2
10,690	4760	19.4
10,740	4772	24.0

TIME B.H.P. MEASURED: 1535 HRS.

LENGTH OF TIME WELL SHUT IN: 28 HRS.
35 MIN.





BENNETT-CATHEY WIRE LINE SERVICE

P. O. BOX 787

ARTESIA, NEW MEXICO 88210

Phone (505) 746-3281



BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR YATES PETROLEUM CORP.
LEASE SLINKARD "UR" FEDERAL
WELL NO. #2
POOL FORMATION
DATE 3-25-84 TIME 1356 HOUR.
CO. MAN HARVEY APPLE
STATUS SHUT IN TEST DEPTH 10510 FEET
TIME S.I. 1155 HOUR LAST TEST DATE 1ST TEST
3-22-84 BHP LAST TEST
TUB. PRES. 2828.2 BHP CHANGE
CAS. PRES. FLUID TOP 3760 FEET
DATUM PLANE WATER TOP
DATUM PSIA 4703.2# RUN BY DAVID SPENCER
TEMP 210° CLOCK # B-3443
PRESSURE RANGE 8100 LBS.
ELEMENT NO. RPG3#9526

DEPTH	psia PRESSURE	GRADIENT lbs./100ft.
0	2828.2	
3000	3184.2	11.8
6000	3732.2	18.3
9000	4387.2	21.8
10360	4671.2	21.0
10510	4703.2	22.0
10585	4720.2	22.7

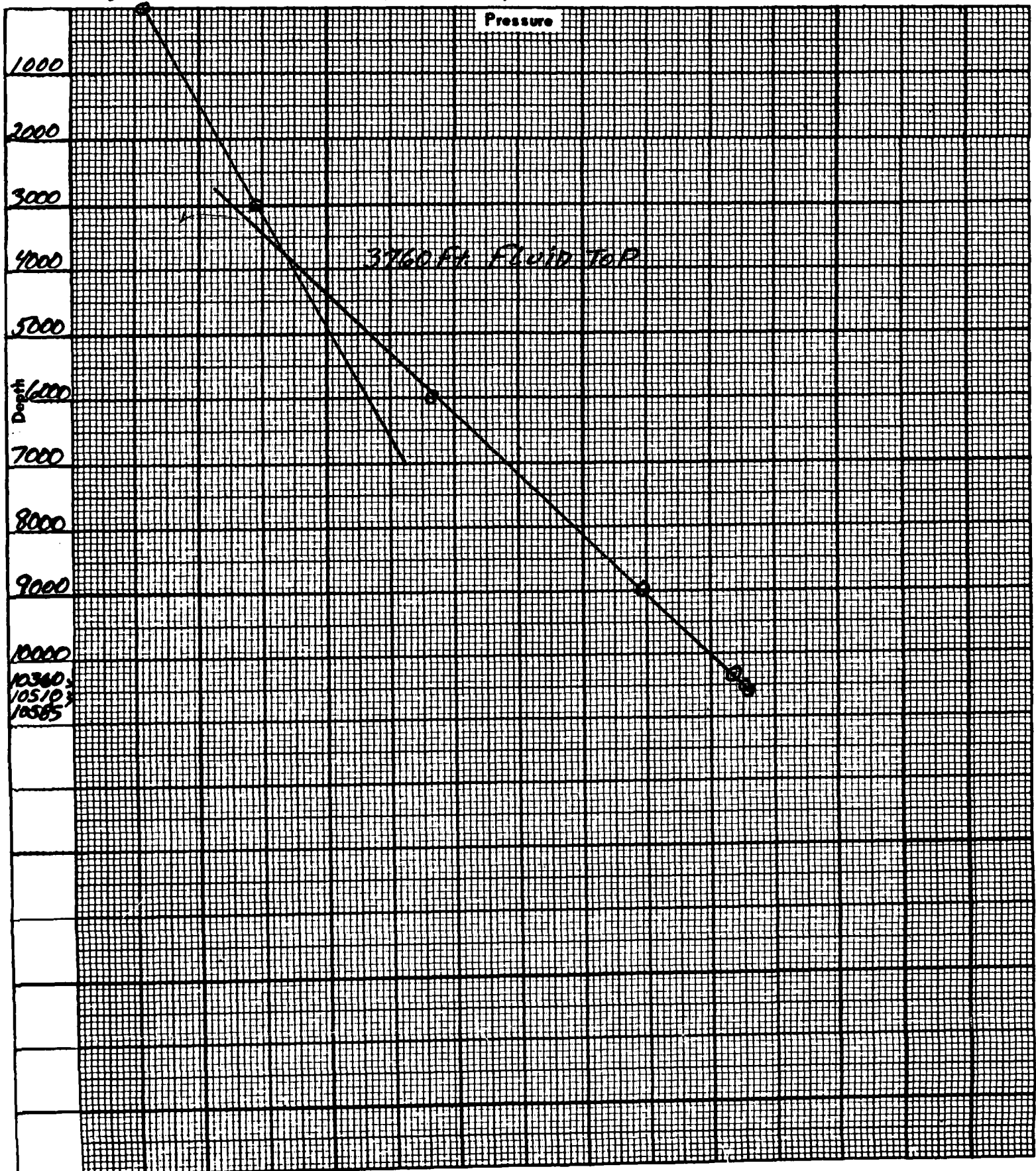
10585 FEET WAS EXTRAPOLATED.

TIME B.H.P. MEASURED 1356 HOUR.

LENGTH OF TIME WELL SHUT IN 74 HR 1 MIN.

PERFORATIONS FROM 10578 TO 10592 FEET.

1800 3000 3200 3400 3600 3800 4000 4200 4400 4600 4800 5000



TO : Mr. Stogner
FROM : Paul Ragsdale
PHONE : 505-827-5741

180 M.P.H.



YATES
PETROLEUM
CORPORATION

DATE : 4-26-90

NUMBER OF PAGES : 3
(INCLUDING COVER)

YATES FAX NUMBER :

(505) 746 - 6480

IF YOU DO NOT RECEIVE ALL OF THIS
TRANSMISSION :



(505) 746 - 1471 EXT. 187

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

April 25, 1990

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico

ATTN: Michael E. Stogner

Re: Zia "ZS" Fed Com No. 1
Dual Completion
Eddy County, NM

Dear Mr. Stogner:

Pursuant to your request of April 17, 1990 to furnish more information before any action can be taken to dual complete the referenced well in the the Morrow and the Strawn formations the following is submitted for your approval.

1. What is the subsurface location of the perforated interval for both zones?
Morrow zone: 12,202' to 12,432' (measured depth)
2172 FNL & 1799 FEL Sec 14-T20S-R29E
Strawn Zone: 11,127' to 11,290' (measured depth)
1840 FNL & 1763 FEL Sec 14-T20S-R29E
2. Will DD-32 need to be amended to show an unorthodox subsurface location for the Strawn interval? Based on a 320 acre proration unit consisting of the east half of Section 14, the location is unorthodox and DD-32 will need to be amended.
3. Does the Morrow interval meet the 50 foot radius requirement as set forth in DD-32? No, the bottom hole location at 12785 feet (measured depth) is 2377 FNL and 1823 FEL in Sec 14-20S-R29E. The target site was 2480 FNL & 1980 FEL Sec 14-20S-R29E. Therefore, the "bottom" is 187 feet from the target site. However, the subsurface location of the Morrow interval is orthodox on a 320 acre proration unit.

6-2-2



Michael E. Stogner

April 25, 1990

-2-

4. Please submit additional test data for Morrow production showing its liquid content if any:

Perfs 12202-12383 produced 510 MCF, 0 BO and 0 BW on 24 hr production test on 4-9-90.

Perfs 12424 12452 produced 528 MCF, 4 BO and 0 BW on 24 hr production test on 2-23-90.

5. Please submit pressure information from both intervals.

Attached are bottom hole buildups for the Morrow zone

2/22 to 2/25 4718.2 psi

3/7 to 3/11 4159.2 psi

3/18 4292 psi

The Strawn zone is flowing and has not been shut in for buildup. Attached are original static bottomhole buildups for the Strawn formation for the Slinkard UR #1 & #2 located in Sec 11-T20S-R29E.

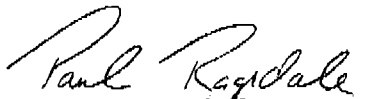
Slinkard UR #1 8/14/82 4772 psi

Slinkard UR #2 3/25/84 4720 psi

Bottomhole pressures will be furnished as soon as they are taken.

Thank you for your cooperation in this matter. Should you need further information please contact me.

Sincerely,


Paul Ragsdale
Petroleum Engineer

PR/cvg



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 17, 1990

Yates Petroleum Corporation
105 South Fourth Street
Artesia, NM 88210

Attention: Paul Ragsdale, Petroleum Engineer

*RE: Zia "ZS" Federal Com Well No. 1, Application for
Dual Completion, 14-T20S-R29E, Strawn and
Morrow formations, Eddy County, New Mexico.*

Dear Mr. Ragsdale:

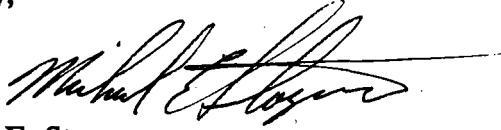
We are in receipt of your application to dually complete the subject well in the Strawn and Morrow formations; however, before I can act on this matter, several questions concerning the previous directional drilling authorization Order DD-32 must be addressed.

- 1) What is the subsurface location of the perforated interval for both zones;
- 2) Will DD-32 need to be amended to show an unorthodox subsurface location for the Strawn interval;
- 3) Does the Morrow interval meet the 50 foot radius requirement as set forth in DD-32;
- 4) Please submit additional test data for Morrow production showing its liquid content if any; and
- 5) As stated in the subject application, please submit pressure information from both intervals.

Yates Petroleum Corporation
Attention: Paul Ragsdale
April 17, 1990
Page 2

Thank you for your cooperation in this matter. Should you have any questions concerning this matter, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", with a long horizontal flourish extending to the right.

Michael E. Stogner
Petroleum Engineer

MES/ag

cc: Oil Conservation Division - Artesia
US Bureau of Land Management - Carlsbad

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

April 6, 1990

Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

ATTN: Mr. Michael Stogner

RE: Zia ZS Fed Com No. 1
Surface: 563 FSL & 2125 FEL, Sec 11-T20S-R29E
T.D.: 2354 FNL & 1849 FEL, Sec 14-T20S-R29E
Eddy County, New Mexico
Parkway Devonian Field

Gentlemen:

Administrative approval for dual completion of the referenced well is hereby respectfully requested. Plans for completion of the well are to produce dry sweet gas from the Morrow perforations from 12202 to 12432 up the 5 1/2" casing annulus and to produce the Strawn oil and gas from the perforations from 11127 to 11290 up the 2 7/8" tubing. The two producing intervals will be isolated from each other with a set of packers and flow will be diverted with a cross over choke. A well bore diagrammatic sketch of the proposed installation is attached (Attachment A).

The Morrow interval from 12202 to 12432 has been completed and tested for 1200 MCFD. A Guiberson Uni-VI packer has been set above the Morrow perfs at 12100 feet isolating the Morrow from the Strawn.

The Strawn completion will be attempted during the week of April 9th - 13th. Plans to complete include selectively perforating and treating the Strawn perfs, testing for production and installation of the producing equipment per Attachment A.

Michael Stogner
April 6, 1990
-2-

Copies of the producing zones electric logs are included in Attachment B. Bottomhole pressure for the Morrow zone is approximately 4500 psi and for the Strawn is approximately 4000 psi. These pressures will be accurately measured and submitted to the NMOCD.

Sincerely,


Paul Ragsdale
Petroleum Engineer

PR/cvg

Attachment

xc: NMOCD (Artesia)

OTIS COMPLETION GUIDE

OTIS

OTIS ENGINEERING CORPORATION

OEC-217-E

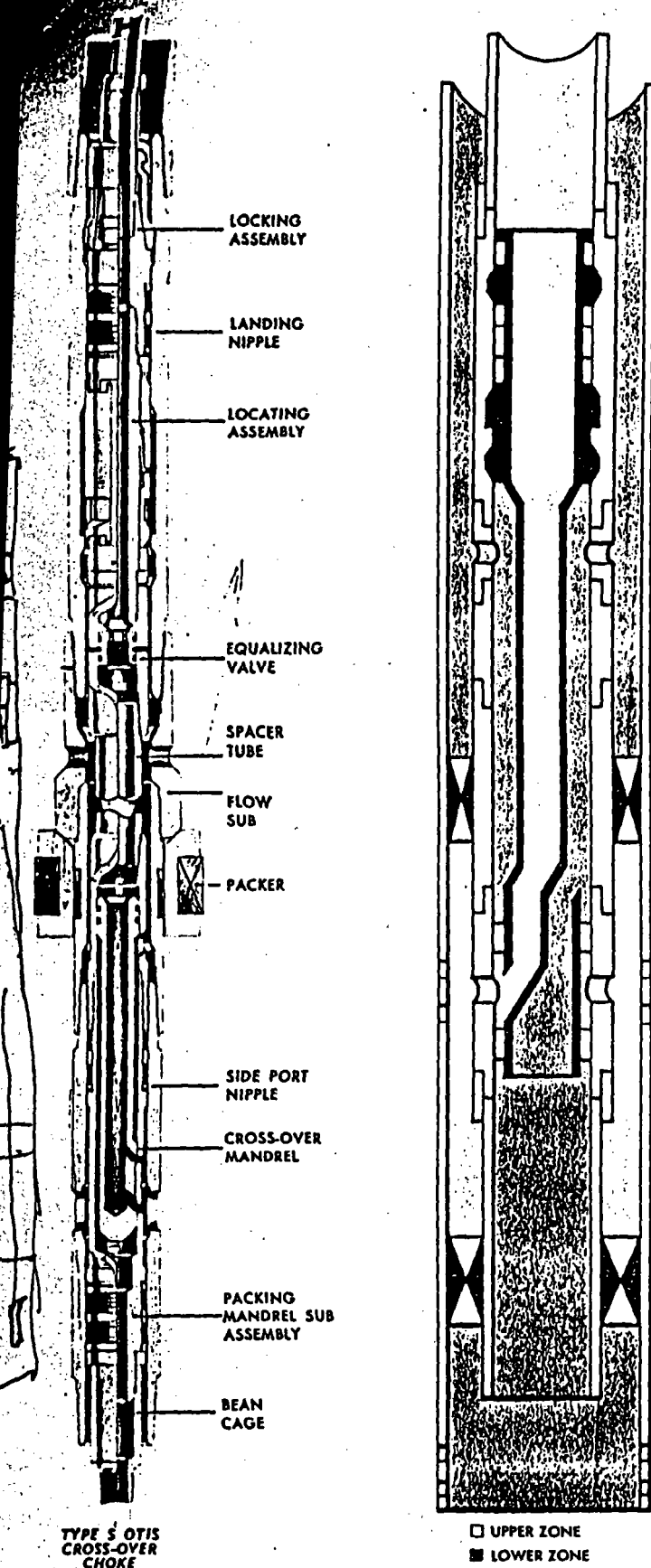
A HALLIBURTON Company

PREPARED FOR		COMPANY		TELEPHONE		DATE	
Ray Stall		Yates		748-1471		4.3.90	
FIELD NAME		WELL NAME		COUNTY		STATE	
Zia ZS Fed. Com.		#1		Eddy		NM	
CASING		WEIGHT		GRADE		DEPTH	
SIZE 5 1/2		17.20 #		N-80		13000 ±	
LINER		WEIGHT		GRADE		DEPTH	
TUBING		WEIGHT		GRADE		DEPTH	
SIZE 2 7/8		EUE		6.5 #		N-80	

DESCRIPTION	I.D.	O.D.	LENGTH	ESTIMATE OR DEPTH
1) Customers 2 7/8 TUBING	2.441	2.875	11045	
2) OTIS 3" Nipple Pos - 1 1151469-1	2.313	3.30	1.50	
3) Ported 2 7/8 N-80 COLLAR 115290	2.441	3.30	.50	
4) Packing Nipple 115274	2.313	3.30	.50	
5) OTIS 5 1/2" PL Packer 20-23 # 12PLS 55323-E	2.375	4.50	3.50	11,050
6) Side Door Nipple	2.313	3.30	1.50	
7) Customers 2 7/8 N-80 TUBING	2.441	2.875	948	
8) OTIS 05750 w/ 2.313" N Profile	2.205	4.38	1.50	
9) Guiberson UNI VI	2.375	4.50	4.00	12,000

DATE

TELEPHONE
392-7581



TYPE S OTIS CROSS-OVER CHOKE

A Type S Otis Cross-Over Choke consists of a locking mandrel assembly, equalizing valve assembly (combination type), concentric cross-over mandrel assembly, and a bean cage. The tool is designed to land in a Type S Otis Landing Nipple with a side-door nipple sub-assembly and a side-port nipple assembly.

With the cross-over choke assembly properly installed in the dual-completion landing nipple assembly, production from both zones of a dual-completion may be crossed over—i.e., the upper zone produced through the tubing and the lower zone through the casing. Because this selection of flow courses is available by wire line methods, there is no need to disturb the packers by pulling the tubing string. The tools are designed to pack off above the upper ports and below and above the lower port in the nipple assembly and to allow the two flow courses to be interchanged within the choke assembly. With the dual cross-over choke in the tubing string and Otis Safety Valves above and below the hookup, storm choke protection is afforded the annulus.

A Type S Upper or Lower Acidizing Tool is available for use with the Type S Landing Nipple with side-door nipple assembly and side-port mandrel assembly. These tools are used to acidize the upper or lower zone or kill either zone.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on re-
verse side)

BLM Roswell District
Modified Form No.
NMD60-3160-4

58

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
"APPLICATION FOR PERMIT—" for such proposals.)

1. OIL ☐ WELL ☒ OTHER ☐

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR

105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.
See also space 17 below.)

At surface

563' FSL & 2125' FEL (NM-15881) Sec. 11-T20S-R29E

Producing zone: 2480' FNL & 1980' FEL (NM-81929) 14-20S-R29E

14. PERMIT NO.

30-015-26262

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

3295' GR

3a. Area Code & Phone No.

505/748-1471

5. LEASE DESIGNATION AND SERIAL NO.

NM 81929

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Zia ZS Federal Com

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Undesignated Morrow

11. SEC., T., R., M., OR BLK. AND
SURVEY OR AREA

Unit 0, Sec. 14-T20S-R29E

12. COUNTY OR PARISH 13. STATE

Eddy

NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETION

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Perforate, Treat

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

17. DESCRIBE PROMISED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

2-13-90. Drilled out DV tool @ 9192'.

2-19-90. Perforated 12424-12432' with 18 .42" holes as follows: 12424, 25, 26, 27, 28, 29, 30, 31, 32 (2 SPF). Acidized perforations 12424-12432' w/2500 gals 7½% Morrow acid, 1000 SCF N2/bbl + ball sealers. Well flowed 280 psi on 3/8" choke = 996 mcf/gpd.

ACCEPTED FOR RECORD

MAR 12 1990

CARLSBAD, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE Production Supervisor

DATE 3-2-90

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on re-
verse side)

RUM Roswell District
Modified Form No. **RECEIVED**
NM60-3160-4

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. ☒ OIL WELL ☒ GAS WELL ☐ OTHER		3a. Area Code & Phone No. 505/748-1471		5. LEASE DESIGNATION AND SERIAL NO. NM 81929	
2. NAME OF OPERATOR YATES PETROLEUM CORPORATION ✓				6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A	
3. ADDRESS OF OPERATOR 105 South 4th St., Artesia, NM 88210				7. UNIT AGREEMENT NAME N/A	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 563' FSL & 2125' FEL (NM-15881) Sec. 11-T20S-R24E				8. FARM OR LEASE NAME Zia ZS Federal Com	
14. PERMIT NO. 30-015-26262		15. ELEVATIONS (Show whether NP, RT, GR, etc.) 3295' GR		9. WELL NO. 1	
				10. FIELD AND POOL, OR WILDCAT Undes. East Burton Flat Strawn	
				11. SEC., T., R., M., OR BLK. AND SUBVY OR ABNA NMPM	
				Unit 0, Sec. 14-T20S-R29E	
				12. COUNTY OR PARISH Eddy	
				13. STATE NM	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐	PULL OR ALTER CASING ☐
FRACTURE TREAT ☐	MULTIPLE COMPLETE ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐
REPAIR WELL ☐	CHANGE PLANS ☐
(Other) ☐	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐	REPAIRING WELL ☐
FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
(Other) Run production casing ☒	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROMISED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

TD 12785'. Reached TD 1-31-90.
Ran 302 joints 5-1/2" 20# and 17# casing as follows: 62 joints 20# N-80, 98 joints 17# N-80, 89 joints 20# N-80 and 53 joints 20# S-95, casing set 12785'. Float shoe set 12784', float collar set 12734' and DV tool set 9192'. Ahead of cement pumped 750 gals WMW-1 and 750 gals Surebond. Cemented 1st stage with 750 sx Class H with 1.1% CF-14 and 3% CSE (yield 1.19, wt 15.66). PD 5:45 PM 2-3-90. Circulated thru DV tool 3 hrs. Circulated 27 sx. Cemented 2nd stage w/450 sx Super H with 3% salt and 450 sx Super H with 3% salt and 1/2#/sx Celloseal (yield 2.29, wt 11.54). Tailed in w/100 sx Class H Neat (yield 1.18, wt 15.6). PD 10:17 PM 2-3-90. Bumped plug to 3750 psi for 30 minutes, float and casing held okay. WOC. Waiting on completion unit.

ACCEPTED FOR RECORD

FEB 16 1990

CARLSBAD, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNED Rosetta S. D. [Signature]

TITLE Production Supervisor

DATE 2-7-90

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

DATE _____

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

58

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

5. LEASE DESIGNATION AND SERIAL NO

NM 81929

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

N/A

7. UNIT AGREEMENT NAME

N/A

8. FARM OR LEASE NAME

Zia ZS Federal Com

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Undes.
East Burton Flat Strawn

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA

Unit 0 -
Sec. 14-T20S-R29E NMPM

12. COUNTY OR PARISH 13. STATE

Eddy

New Mexico

1. OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

(505) 748-1471

3. ADDRESS OF OPERATOR

105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

563' FSL & 2125' FEL (NM-15881)

Proposed producing zone: 2480' FNL & 1980' FEL (NM-81929)

14. PERMIT NO.

30-015-26262

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

3295' GR

ARTESIA, OFFICE

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Surface, Intermediate Casing

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spudded 26" hole 5:30 PM 12-15-89. Ran 10 joints 20" H40 94# (389') casing set 383'. Guide shoe set 383', insert baffle plate set 343'. Cemented w/525 sx Pacesetter Lite w/2% CaCl. Followed w/350 sx C1 C w/2% CaCl. PD 4:20 PM 12-16-89. Cement circulated 80 sacks. Drilled out 5:30 PM 12-17-89. WOC 25 hrs and 10 min. Tested casing to 600 psi for 30 minutes. Cut off and welded on flow nipple. Reduced hole to 17 1/2". Resumed drilling. Witnessed by BLM. 12-19-89. Ran 31 joints 13-3/8" 54.5# J-55 ST&C casing set 1328'. Guide shoe set 1328', float collar set 1284'. Cemented w/690 sx Pacesetter Lite w/10% Salt. Tail in w/300 sx C1 C + 2% CaCl2. PD 10:00 PM 12-19-89. Bumped plug to 600 psi. Circulated 41 sacks to pit. WOC. Drilled out 12:30 AM 12-20-89. WOC 14 hrs, 30 mins. Reduced hole to 12 1/2". Resumed drilling. 12-23-89. Ran 75 joints 8-5/8" J-55 32# ST&C casing set 3261'. Float shoe set 3261', float collar set 3119', DV tool set 1746'. Cemented 1st stage w/475 sx 65/35 Pacesetter Lite C w/6% Bentonite and 1% CaCl (yield 2.05, wt 12.64). Followed w/200 sx C1 C w/2% CaCl (yield 1.33, wt 14.8). PD 4:30 AM 12-24-89. Bumped plug to 1100 psi. Circ. thru DV tool 5 hrs. Circulated 70 sx to pit. Cemented 2nd stage w/650 sx 65/35 Pacesetter Lite C w/6% Bentonite, 10#/sx Gilsonite and 1% CaCl (yield 2.14, wt 12.12). Followed w/200 sx C1 C w/2% CaCl2 (yield 1.33, wt 14.8). PD 11:40 AM 12-24-89. Bumped plug to 1400 psi, float held okay* NU and tested to 1000 psi for 30 minutes. Reduced hole to 7-7/8". Drilled out 12:30 AM 12-25-89. WOC 20 hrs. Drilled plug and DV tool. TIH to float collar. Drilled 110' cement, float collar and float shoe. Resumed drilling formation.

*circ'd 40sx.

55

18. I hereby certify that the foregoing is true and correct

SIGNED

[Signature]

TITLE Production Supervisor

DATE 12-27-89

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE PETROLEUM ENGINEER

DATE 1-12-90

*See Instructions on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Form approved.
Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR Yates Petroleum Corporation	8. FARM OR LEASE NAME 21A "25" Fed. Co.
3. ADDRESS OF OPERATOR 105 So. 4th St. Artesia, NM 88210	9. WELL NO. 1
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 563' FSL & 2125' FEL (NM-15881) AT PRODUCTION ZONE 2480' FNL & 1980' FEL (NM-81921)	10. FIELD SURVEY OR WILDCAT Bustin Flat East Strawn
14. PERMIT NO.	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14 - T. 25S - R. 22E
15. ELEVATIONS (Show whether DF, ST, GR, etc.) 3295' GR	12. COUNTY OR PARISH 13. STATE EDDY NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF ☐	PULL OR ALTER CASING ☐	WATER SHUT-OFF ☐	REPAIRING WELL ☒
FRACTURE TREAT ☐	MULTIPLE COMPLETION ☐	FRACTURE TREATMENT ☐	ALTERING CASING ☐
SHOOT OR ACIDIZE ☐	ABANDON* ☐	SHOOTING OR ACIDIZING ☐	ABANDONMENT* ☐
REPAIR WELL ☐	CHANGE PLANS ☒	(Other) ☐	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DISCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Change Proposed casing Program to:

Size of Hole	Size of casing	Weight per foot	Setting Depth	Cement
26"	20"	94 [#]	375'	850 sx. - Circ.
17 1/2"	13 3/8"	54.5 [#]	1325'	1000 sx. - Circ.
12 1/4"	8 5/8"	32 [#]	3250'	1500 sx. - Circ.
7 7/8"	5 1/2"	17+20 [#]	TD	As Warranted

18. I hereby certify that the foregoing is true and correct

SIGNED Ken Brinkley TITLE LANDMAN DATE 9-8-89

(This space for Federal or State office use)

APPROVED BY: Signed by Shannon J. Shaw TITLE PETROLEUM ENGINEER DATE 9-26-89

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

1. LEASE DESIGNATION AND SERIAL NO. NM-81929	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT AGREEMENT NAME	
8. FARM OR LEASE NAME Zia "ZS" Fed. Com.	
9. WELL NO. 1	
10. FIELD AND POOL, OR WILDCAT Burton Flat East Strawn	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 14-T20S-R29E	
12. COUNTY OR PARISH Eddy	13. STATE NM
14. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 563' FSL & 2125' FEL (NM-15881) At proposed prod. zone 2480' FNL & 1980' FEL (NM-81929)	
15. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 15 miles northeast of Carlsbad, New Mexico	
16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 563'	17. NO. OF ACRES IN LEASE
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 12,200'
20. ROTARY OR CABLE TOOLS Rotary	21. APPROX. DATE WORK WILL START*
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 3295' GR	
23. PROPOSED CASING AND CEMENTING PROGRAM	

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	375'	375 sacks - circulate
12 1/4"	8 5/8"	32 #	3250'	1500 sacks - circulate
7 7/8"	5 1/2"	20 & 17 #	TD	As warranted

see sundry notice dated 9/8/89 for amended csg/cementing plan. sas

We propose to drill and test the Morrow and intermediate formations. Approximately 375' of surface casing will be set and cement circulated to shut off gravel and caving. If commercial, production casing will be run and cemented. Will perforate and stimulate as needed for production.

MUD PROGRAM: FW Gel/LCM 8.6#-9.6#, 34-40 vis to 375; Brine 10#, 28 vis. to 3250; Cut brine, 8.8#-9.5#, 28 vis to 10,500; Salt Water gel/Drisspack/Starch 9.4#-10.0#, 32-40 vis to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ken Beardsley TITLE Landman DATE 8/9/89
(This space for Federal or State office use)

PERMIT NO. Orig. Signed by Richard L. Jones APPROVAL DATE 9-26-89
APPROVED BY 1 TITLE AREA MANAGER
CONDITIONS OF APPROVAL IF ANY: CARLSBAD RESOURCE AREA

REMARKS AND
SPECIAL INSTRUCTIONS

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section.

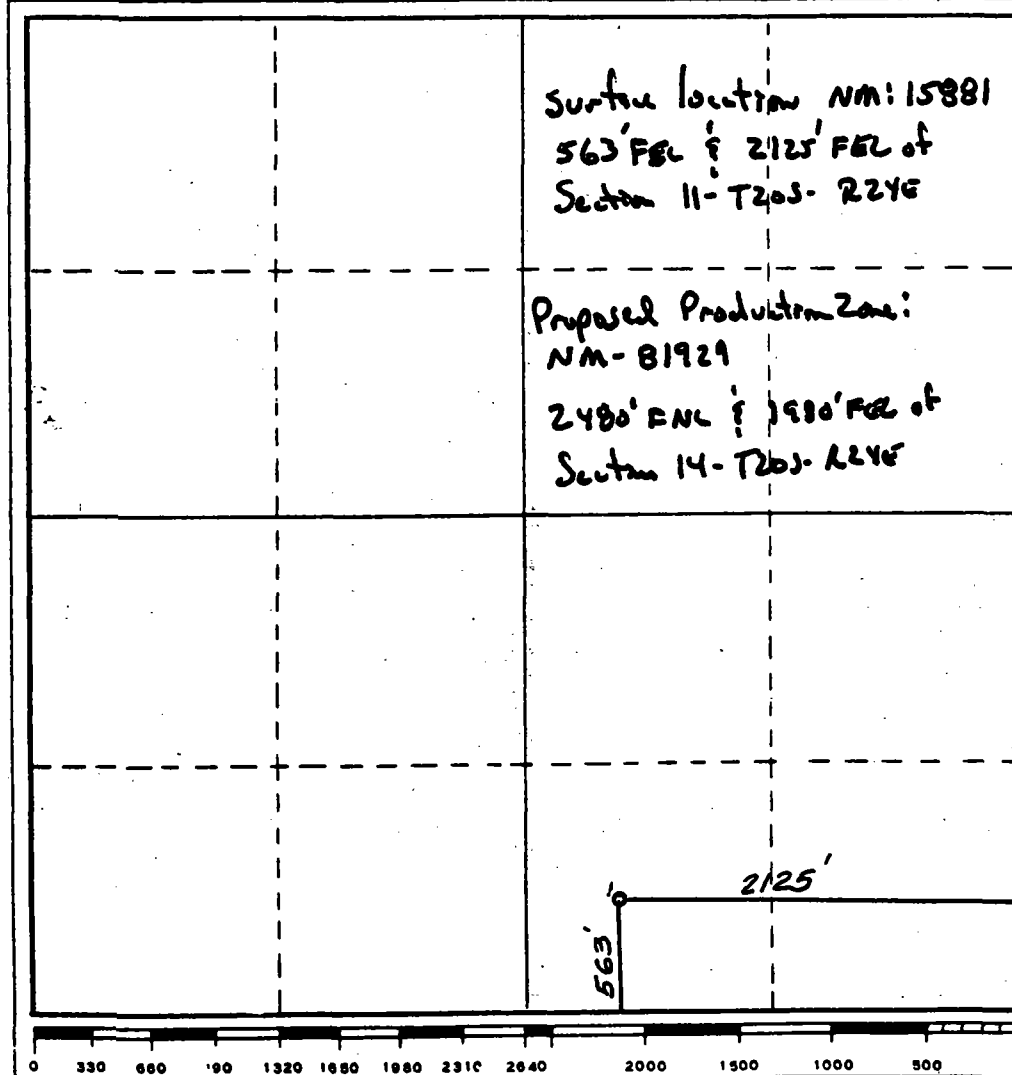
Operator YATES PETROLEUM CORPORATION			Lease Zia ZS Federal Com		Well No. 1
Unit Letter 0	Section 11	Township 20 South	Range 29 East	County Eddy County, N.M.	
Actual Footage Location of Well: 563 feet from the South line and 2125 feet from the East line					
Ground Level Elev. 3295.	Producing Formation Strawn		Pool Burton Flat East Strawn	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Ken Beardemphl
Name
KEN BEARDEMPL

Position
LANDMAN

Company
Yates Pet. Corp.

Date
8-8-89

Date Surveyed
August 1, 1989

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy
Certificate No.
NM PE&LS NO. 5412

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

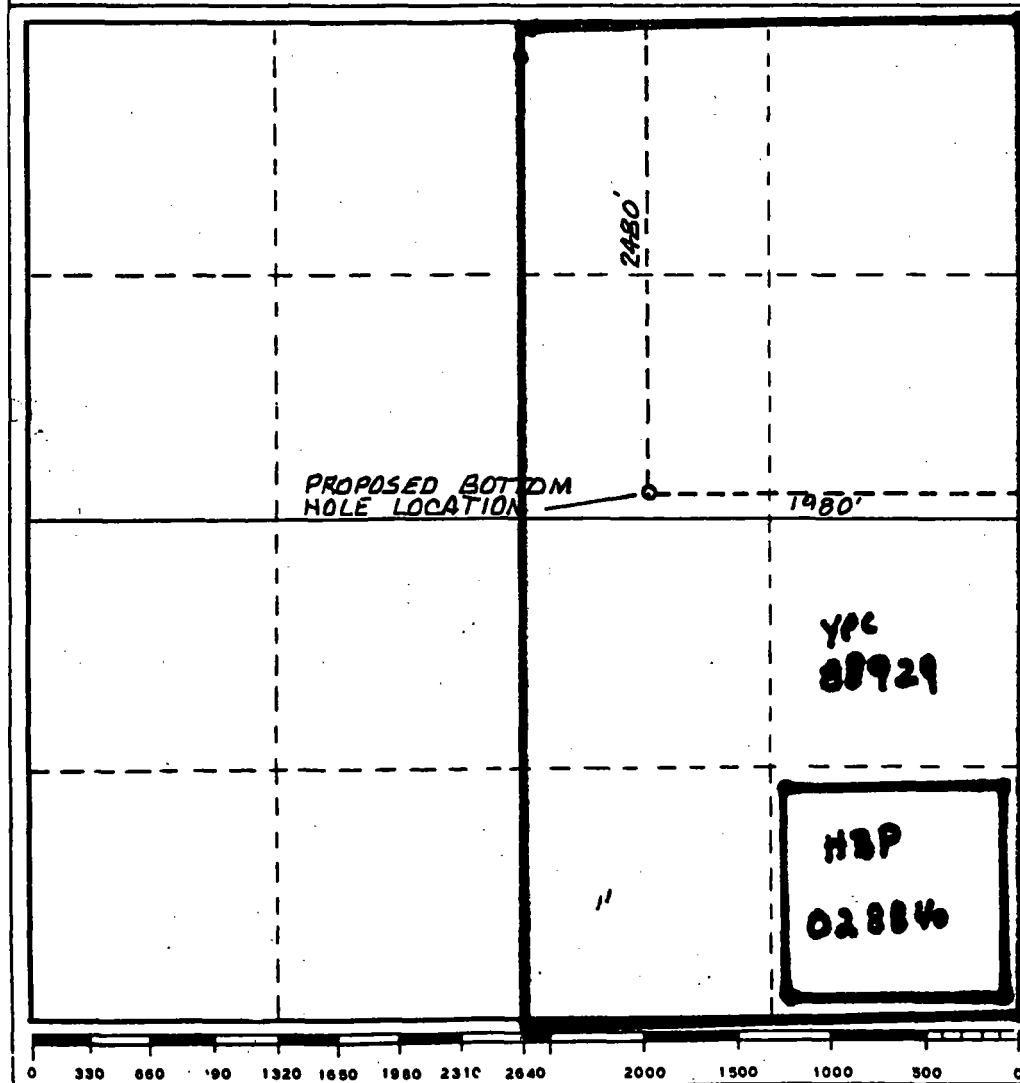
Operator YATES PETROLEUM CORPORATION		Lease Zia ZS Federal Com		Well No. 1
Unit Letter G	Section 14	Township 20 South	Range 29 East	County Eddy County, N.M.
Actual Footage Location of Well:				
feet from the		line and	feet from the	line
Ground Level Elev.	Producing Formation Strawn	Pool Burns flat East Strawn	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation is by communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Ken Beardsall

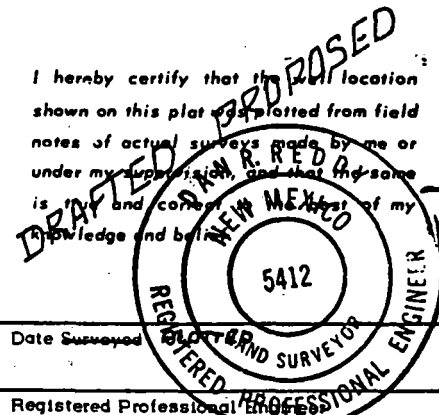
Name **KEN BEARDSALL**

Position **LANDMAN**

Company **Yates Pet. Corp.**

Date **8-8-89**

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 knowledge and belief.



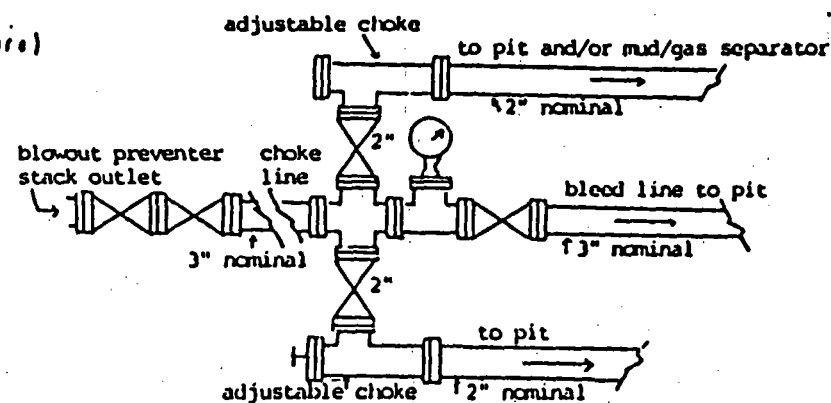
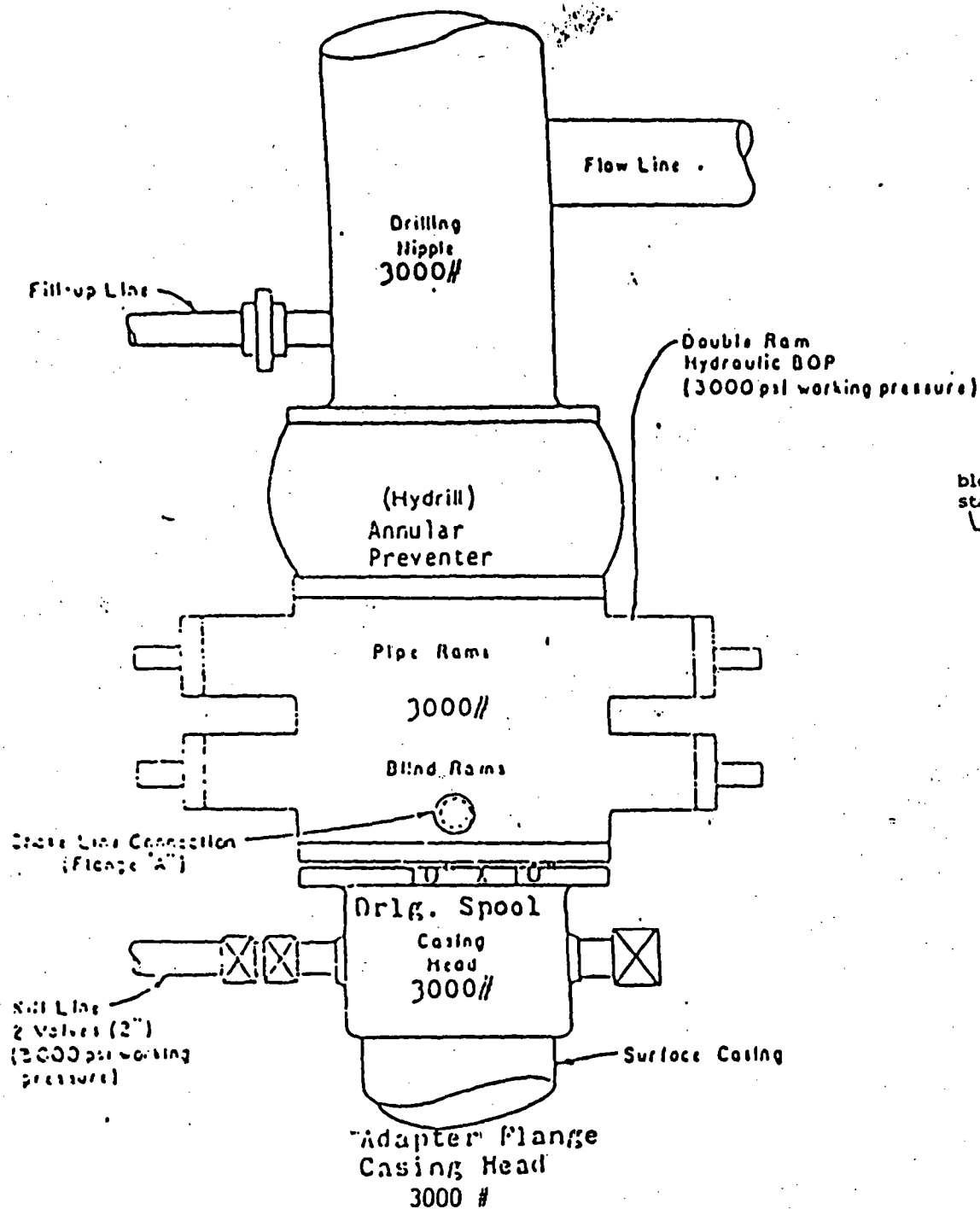
Date Surveyed **8-8-89**

Registered Professional Engineer and/or Land Surveyor

Jan L. Reddy

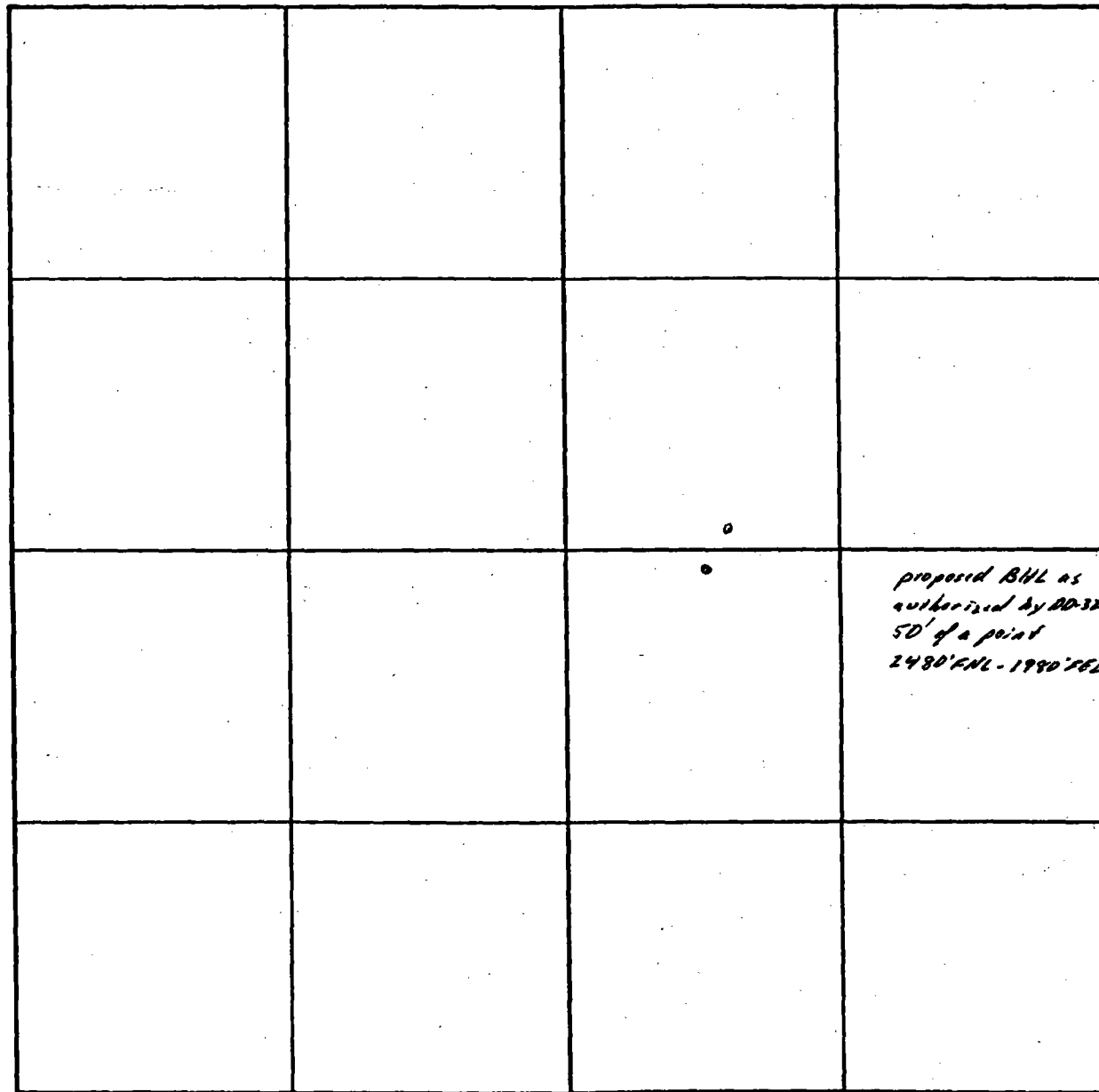
Certificate No. **7**

August 1, 1989



typical choke manifold assembly for 3M rated working pressure service-surface installation

surface location
0 563' FSL - 2125' FSL
(Unit 0) Section 11



SECTION _____

TOWNSHIP _____

RANGE _____

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

OIL CONSERVATION DIVISION
RECEIVED



**YATES
PETROLEUM
CORPORATION**

'90 JUL 2 AM 9 29

105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

June 27, 1990

DD-32

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

ATTN: Michael Stogner

RE: Zia ZS Fed Com #1
Sec 14-T20S-R29E
Eddy County, NM

Dear Mr. Stogner:

Yates Petroleum applied for administrative approval for a dual completion of the referenced Zia ZS Fed Com #1 in April, 1990. This approval has not been granted as of this date.

If more information is required we would be willing to furnish such data. It would be greatly appreciated if the approval could be expedited and the well dually completed.

Sincerely,

Paul Ragsdale
Paul Ragsdale
Engineer

PR/cvg

xc: Artesia NMOC
Janet Richardson
Juanita Goodlett

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
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

October 30, 1989

TXO Production Corp.
415 West Wall, Suite 900
Midland, Texas 79701-4468

Attention: Mr. Richard H. Coats

Re: Burton Flat Area
Eddy County, New Mexico

Gentlemen:

Enclosed is your letter agreement, dated October 16, 1989, regarding the captioned which has been executed on behalf of Yates Petroleum Corporation whereby they agree to the terms and conditions of said letter agreement.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson
Land Manager

/msw

Enclosure

TXO

PRODUCTION CORP.

415 WEST WALL, SUITE 900
MIDLAND, TEXAS 79701-4468
(915) 682-7992

October 16, 1989

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

Attn: Kathy Colbert

RE: BURTON FLAT AREA
Eddy County, New Mexico-

Gentlemen:

TXO Production Corp. ("TXO") and Yates Petroleum Corporation ("Yates") have agreed to the following:

- (1) TXO and Yates shall agree to support expanding the Burton Flat East Strawn Gas Pool, which provides for 320 acre spacing, to include the E/2 of Section 14 and W/2 of Section 14, T-20-S, R-29-E, N.M.P.M., Eddy County, New Mexico.
- (2) TXO agrees to amend its application to directionally drill Burton Flat Federal #1 well to provide for a 320 acre proration unit (W/2 of Section 14) and an orthodox bottom-hole location.
- (3) Yates agrees to withdraw its protest of TXO's application to directionally drill the Burton Flat Federal #1 well, as amended herein. This application, Case No. 9762, is currently scheduled for hearing on October 18, 1989, before the New Mexico Oil Conservation Division.
- (4) TXO agrees to withdraw its protest of Yates' application to directionally drill the Zia "ZS" Federal Com. #1 well. This application, Case No. 9788, is currently scheduled for hearing on October 18, 1989, before the New Mexico Oil Conservation Division.
- (5) Yates and TXO agree to continue TXO's application to directionally drill the Williamson Federal #6 well, Case No. 9763 which is currently scheduled for hearing on October 18, 1989, before the New Mexico Oil Conservation Division.

Yates Petroleum Corporation
October 16, 1989
Page Two

In the event Yates agrees to the terms and conditions contained herein, please evidence your acceptance by signing the space provided below and returning one (1) copy of this Letter Agreement to my attention.

Please let me know if you have any questions or comments.

Sincerely,

TXO PRODUCTION CORP.

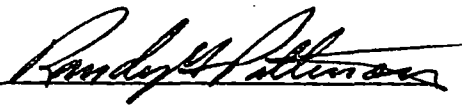


Richard H. Coats
Landman

RHC/lc

AGREED AND ACCEPTED THIS 17 DAY OF OCTOBER, 1989.

YATES PETROLEUM CORPORATION

BY: 

TITLE: ATTY. IN. FACT

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
WILLIAM R. SLATTERY
MARTE D. LIGHTSTONE
PATRICIA A. MATTHEWS

Case
9788
to be
discontinued
if admin. procedure
can be obtained
August 31, 1989

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attn: William J. LeMay, Director

Re: Application for Administrative Approval to Directionally
Drill the Yates Petroleum Corporation Zia "ZS" Federal
Com Well No. 1, Burton Flat East Strawn Pool, Morrow
Pool, Eddy County, New Mexico

Dear Mr. LeMay:

Pursuant to the provisions of Oil Conservation Division Rule 111(d), Yates Petroleum Corporation, operator of the W/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, hereby applies for administrative approval to directionally drill its Yates Petroleum Corporation Zia "ZS" Federal Com. Well No. 1 from a surface location 563 feet from the South line and 2125 feet from the East line of Section 11, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico to a proposed bottomhole location in the Morrow formation 2480 feet from the North line and 1980 feet from the East line of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

This application qualifies for administrative approval since the proposed production zone is at a standard location in both the Strawn and Morrow formations in Section 14, but no standard surface location is available because this acreage is under Federal Oil & Gas Lease NM-81929 which contains a no surface occupancy provision.

Required notice of this application has been served by certified mail to each operator of a spacing or proration unit offsetting the unit for which this directional drilling exception is requested. Each party shown on the attached service list has been furnished a copy of this letter, complete with all attachments.

RECEIVED
AUG 31 1989
OIL CONSERVATION DIVISION

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Attn: William J. LeMay, Director
August 31, 1989
Page Two

If there are any questions concerning this application, please
contact me or Mr. Ken Beardemphl, (505) 748-1471.

Very truly yours,

John H Bemis
for WILLIAM F. CARR

WFC:mlh

ATTORNEY FOR YATES PETROLEUM CORPORATION

Enclosures

cc w/enc.: State of New Mexico
Oil Conservation Division
District II
Post Office Drawer DD
Artesia, New Mexico 88210

SERVICE LIST

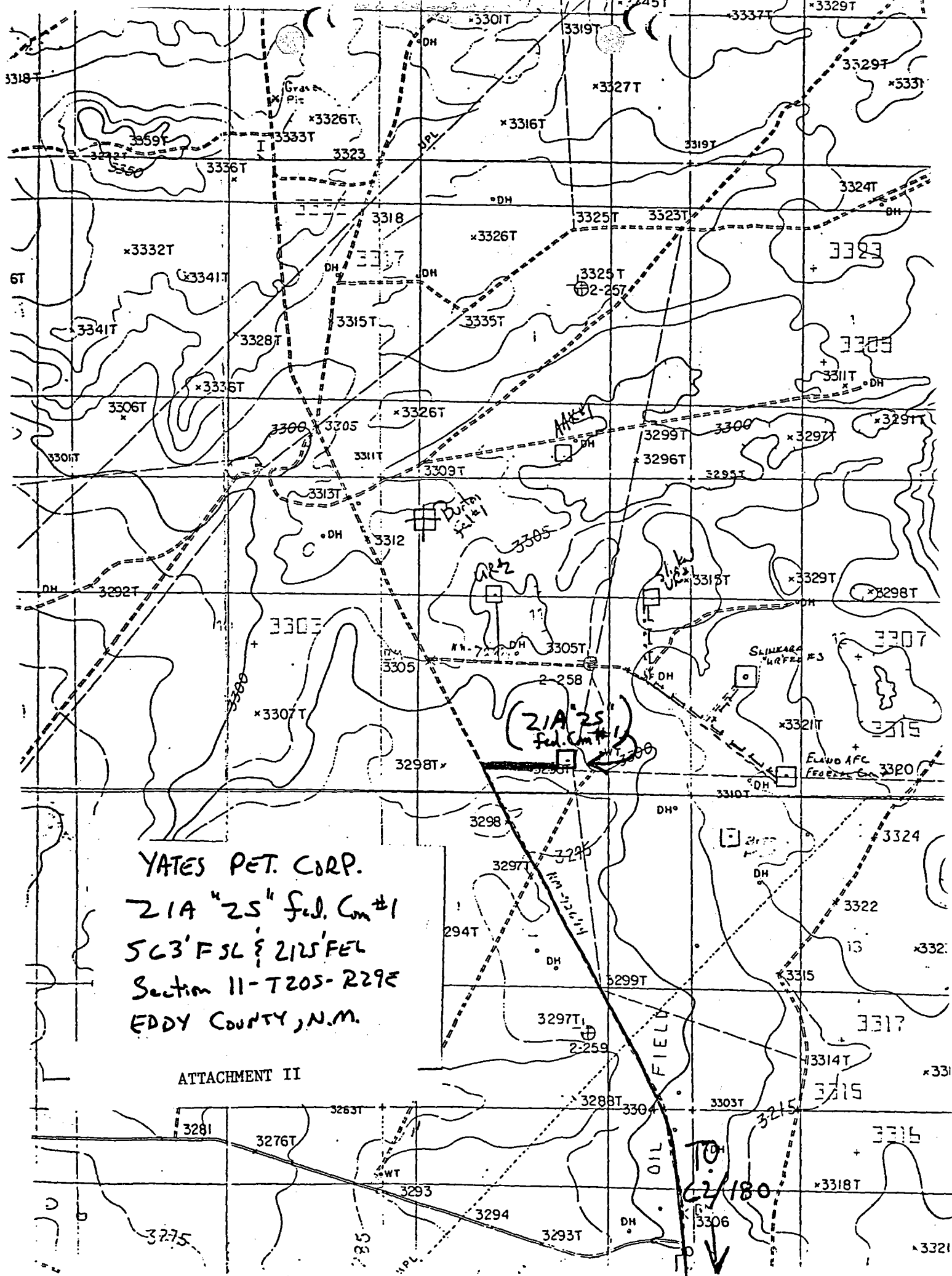
Surface Owner:

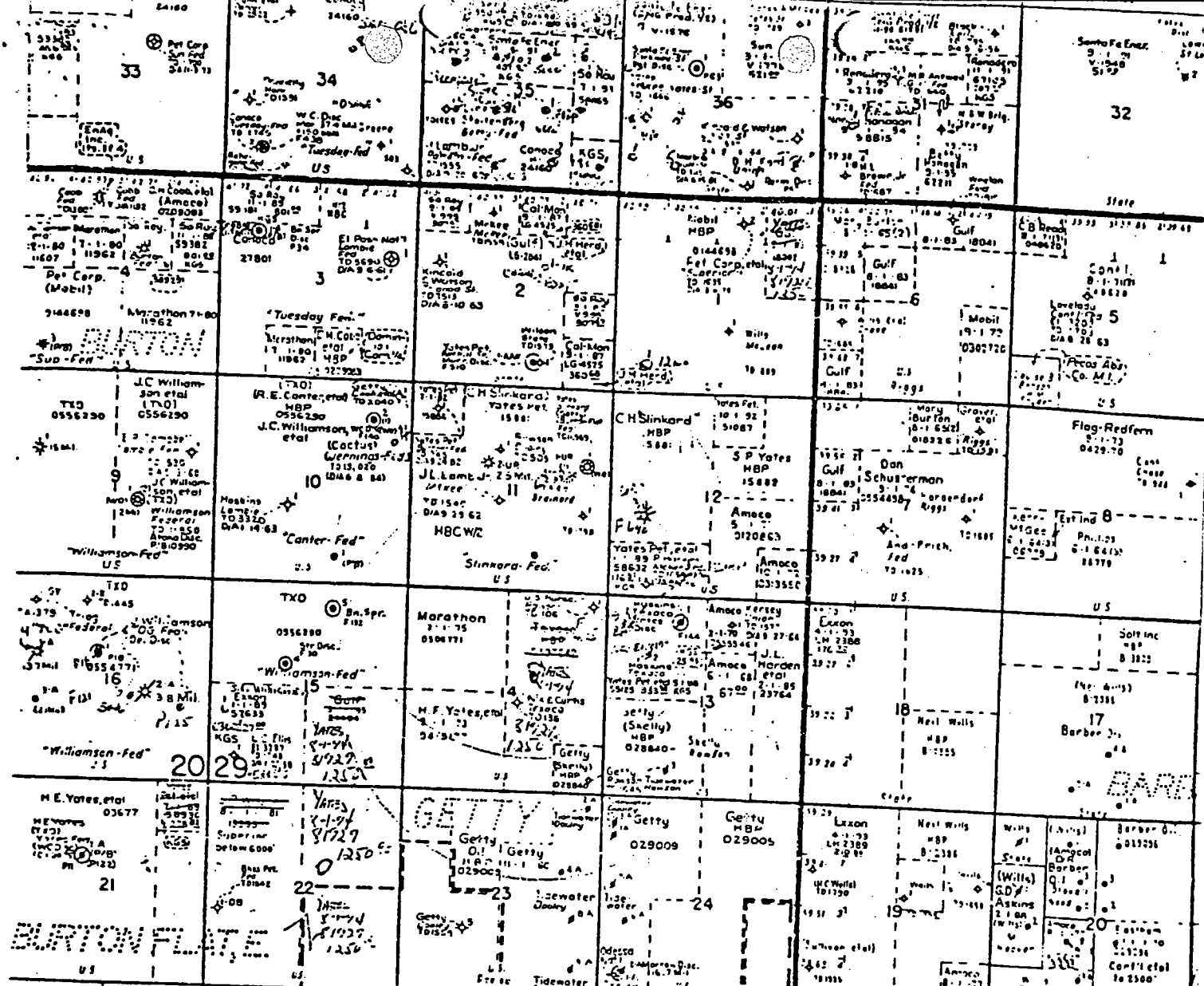
Bureau of Land Management
1717 W. 2nd Street
Roswell, New Mexico 88201

Offset Operators:

TXO Production Corporation
900 Wilco Building
415 W. Wall Street
Midland, Texas 79701

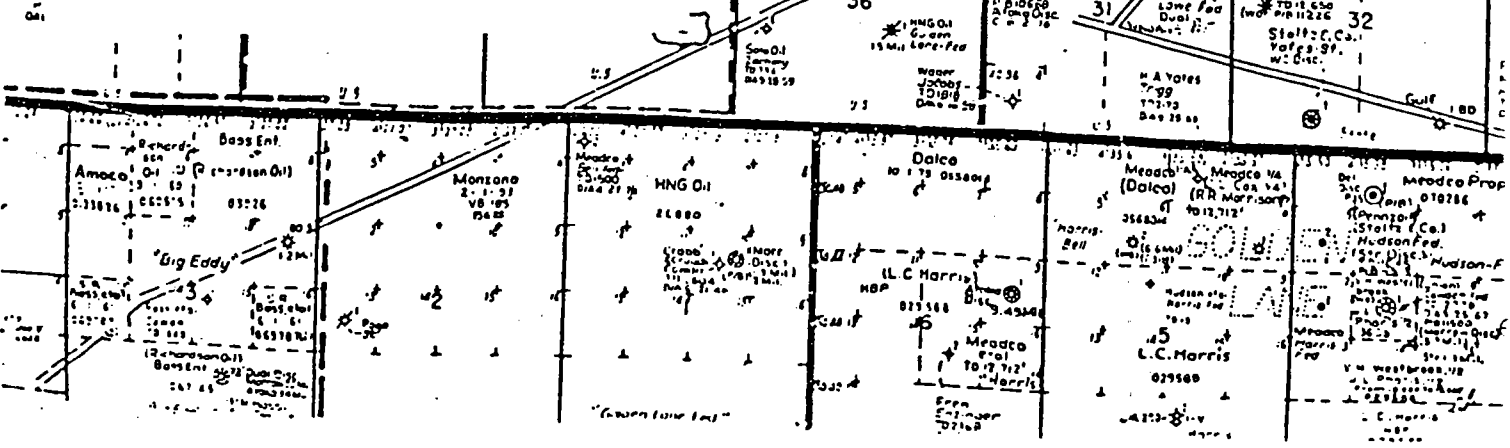
Harvey E. Yates Company
Post Office Box 1933
Roswell, New Mexico 88201





YATES PET. CORP.
 Surface 563' FSL & 2125' FSL
 Sec 11- T20S- R29E
 Production Zone
 2490' FSL & 1930' FSL
 Sec. 14- T20S- R29E
 Eddy Co. NM

ATTACHMENT II



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-121
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator YATES PETROLEUM CORPORATION			Lease Zia ZS Federal Com		Well No. 1
Unit Letter 0	Section 11	Township 20 South	Range 29 East	County Eddy County, N.M.	
Actual Footage Location of Well: 563 feet from the South line and 2125 feet from the East line					
Ground Level Elev. 3295.	Producing Formation Strawn		Pool Burton Flat East Strawn		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

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

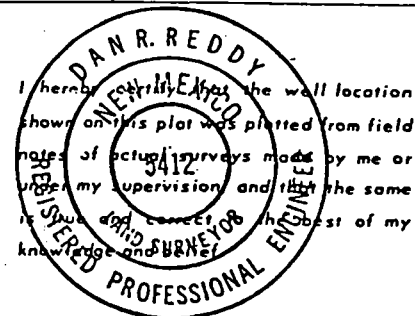
Ken Beardom
 Name

KEN BEARDOM PKL
 Position

LANDMAN
 Company

Yates Pct. Corp.
 Date

8-8-89



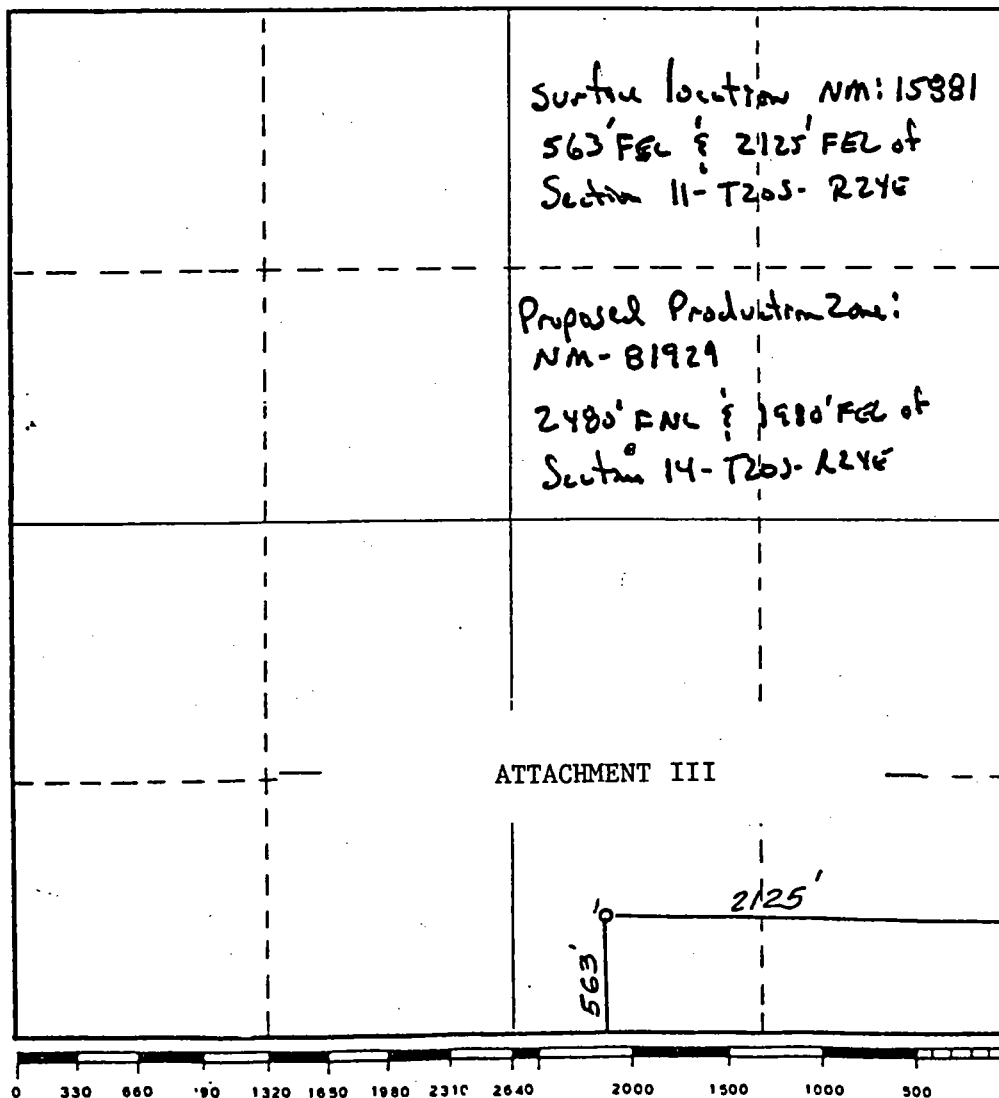
Date Surveyed

August 1, 1989

Registered Professional Engineer
 and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&LS NO. 5412



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator YATES PETROLEUM CORPORATION			Lease Zia ZS Federal Com		Well No. 1
Unit Letter G	Section 14	Township 20 South	Range 29 East	County Eddy County, N.M.	
Actual Footage Location of Well:					
feet from the		line and	feet from the		line
Ground Level Elev.	Producing Formation Strawn		Pool Burton Flat East Strawn		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation is by communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

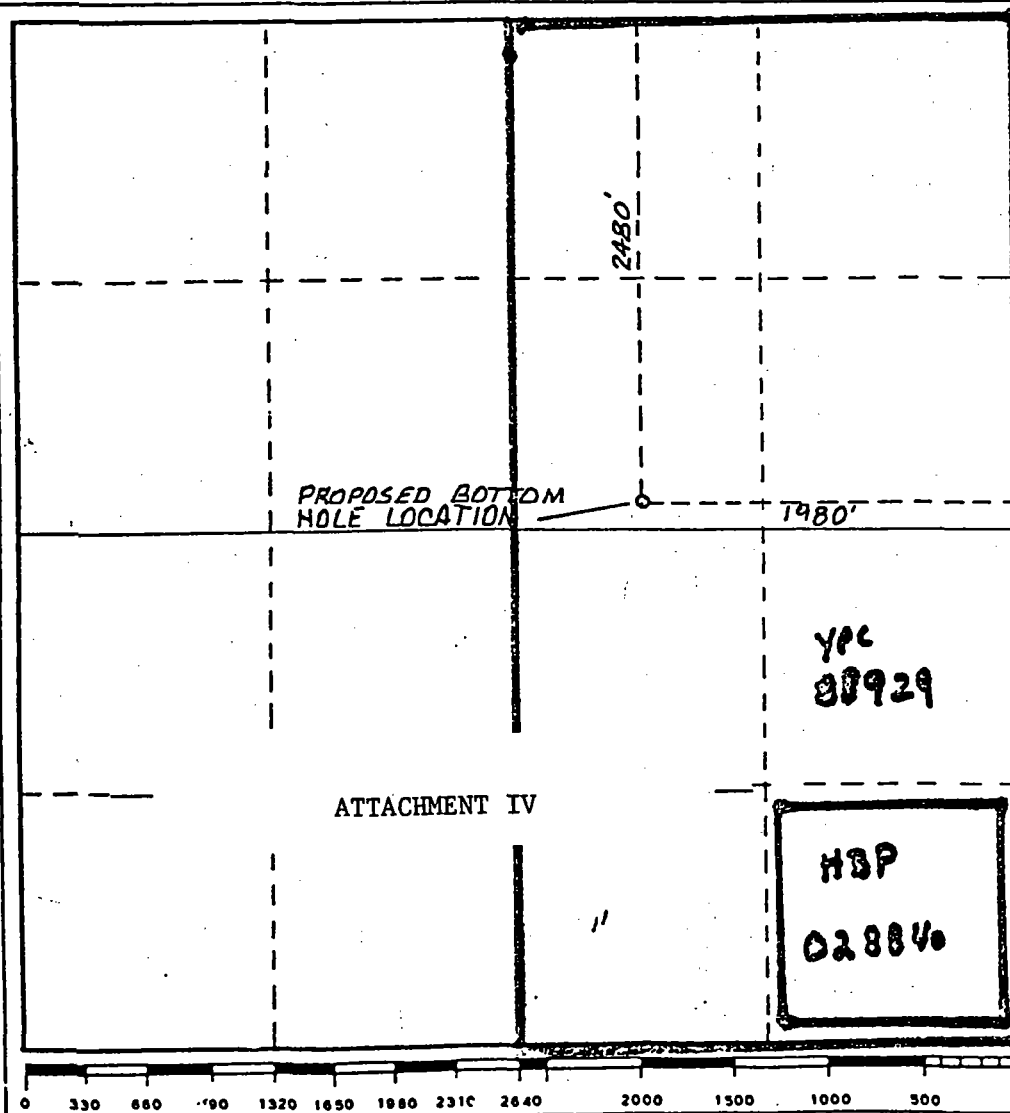
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Ken Bearden
Name
KEN BEARDEN
Position
LANDMAN
Company
Yates Pet. Corp.
Date
8-8-89

I hereby certify that the 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 knowledge and belief.

DRAFTED PROPOSED
NEW MEXICO
5412
REGISTERED PROFESSIONAL ENGINEER
Date Surveyed
Registered Professional Engineer and/or Land Surveyor

San R. Reddy
Certificate No.
August 1, 1989



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
WILLIAM R. SLATTERY
MARTE D. LIGHTSTONE
PATRICIA A. MATTHEWS

SEP 5 1989

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

RECEIVED

SEP 11 1989

CAMPBELL & BLACK

August 31, 1989

Harvey E. Yates Company
Post Office Box 1933
Roswell, New Mexico 88201

Re: Application of Yates Petroleum Corporation for Approval
of Directional Drilling for its Zia "ZS" Fed. Com Well
No. 1, Burton Flat East Strawn Pool, Morrow Pool, Eddy
County, New Mexico

Gentlemen:

Enclosed is an application which Yates Petroleum Corporation has filed with the New Mexico Oil Conservation Division seeking approval to directionally drill the subject well from a surface location 563 feet from the South line and 2125 feet from the East line of Section 11, Township 20 South, Range 29 East, to a bottomhole location in the Strawn and Morrow formations 2480 feet from the North line and 1980 feet from the East line of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The producing zone will be at a standard location in both the Strawn and Morrow formations.

This letter is to provide you with notice of this application as required by Oil Conservation Division Rule 111(d). If you have no objection to the directional drilling of this well, please sign below and return one copy to us for filing with the Division. A self-addressed stamped envelope has been provided for your convenience.

Harvey E. Yates Company
August 31, 1989
Page Two

If you have any questions concerning this application, please contact me or Mr. Ken Beardenphl at Yates Petroleum Corporation (505) 748-1471.

Very truly yours,

John H Bennis
for WILLIAM F. CARR
WFC:mlh
Enclosure

ATTORNEY FOR YATES PETROLEUM CORPORATION

APPROVAL

Company: Harvey E Yates Co.
By: David B Peavy
Date: 9/6/89

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK			DRILL ☒ DEEPEN ☐ PLUG BACK ☐			7. UNIT AGREEMENT NAME		
B. TYPE OF WELL			OIL WELL ☐ GAS WELL ☒ OTHER ☐			8. FARM OR LEASE NAME		
2. NAME OF OPERATOR			Yates Petroleum Corporation			Zia "ZS" Fed. Com.		
3. ADDRESS OF OPERATOR			105 South Fourth Street, Artesia, New Mexico 88210			9. WELL NO.		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*			At surface			10. FIELD AND POOL, OR WILDCAT		
563' FSL & 2125' FEL (NM-15881)			At proposed prod. zone			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
2480' FNL & 1980' FEL (NM-81929)			14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*			12. COUNTY OR PARISH		
Approximately 15 miles northeast of Carlsbad, New Mexico			15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			13. STATE		
563'			16. NO. OF ACRES IN LEASE			17. NO. OF ACRES ASSIGNED TO THIS WELL		
13. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			19. PROPOSED DEPTH			20. ROTARY OR CABLE TOOLS		
			12,200'			Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.)						22. APPROX. DATE WORK WILL START*		
3295' GR								

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	375'	375 sacks - circulate
12 1/4"	8 5/8"	32 #	3250'	1500 sacks - circulate
7 7/8"	5 1/2"	20 & 17 #	TD	As warranted

We propose to drill and test the Morrow and intermediate formations. Approximately 375' of surface casing will be set and cement circulated to shut off gravel and caving. If commercial, production casing will be run and cemented. Will perforate and stimulate as needed for production.

MUD PROGRAM: FW Gel/LCM 8.6#-9.6#, 34-40 vis to 375; Brine 10#, 28 vis. to 3250;
Cut brine, 8.8#-9.5#, 28 vis to 10,500; Salt Water gel/Drispack/Starch
9.4#-10.0#, 32-40 vis to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Ken Beardemph
SIGNED Ken Beardemph TITLE Landman DATE 8/9/89
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY: _____

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

YATES PETROLEUM CORPORATION
Zia "ZS" Federal Com. #1
563' FSL & 2125' FWL
Section 11-T20S-R29E
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geological surface formation is alluvium.
2. The estimated tops of geologic markers are as follows:

Yates	1297'	Strawn "B"	10,727'
Delaware	3222'	Atoka	10,959'
Bone Springs	6122'	Morrow Clastics	11,622'
3rd Bone Springs Sand	9147'	Lower Morrow	11,872'
Wolfcamp	9720'	Austin Cycle	11,970'
Strawn "A"	10567'	TD	12,200'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 150'

Oil or Gas: 9720'; 10,567'; 10,727'; 10,959'; 11,622'; 11,872'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly cock, pit level indicators and flow sensor equipment; sub with full opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples: 10' samples out from under surface casing to TD
DST's: As warranted
Coring: None
Logging: CNL/LDT from TD to casing with GR-CNL on to surface; DLL from TD to casing with RXO from TD over selected intervals.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive gas.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

- 1. Federal pit in Section 3-T20S-R29E

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted for appropriate approval.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLIARY FACILITIES:

- A. None required.

Zia "ZS" Federal Com. #1

Page 4

15. CERTIFICATION:

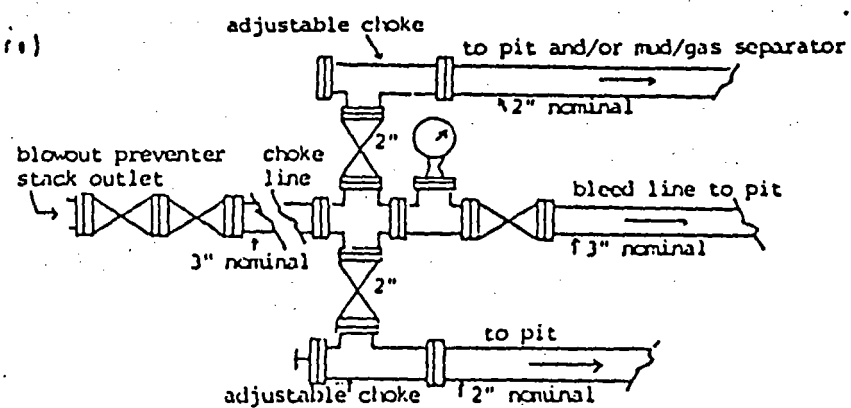
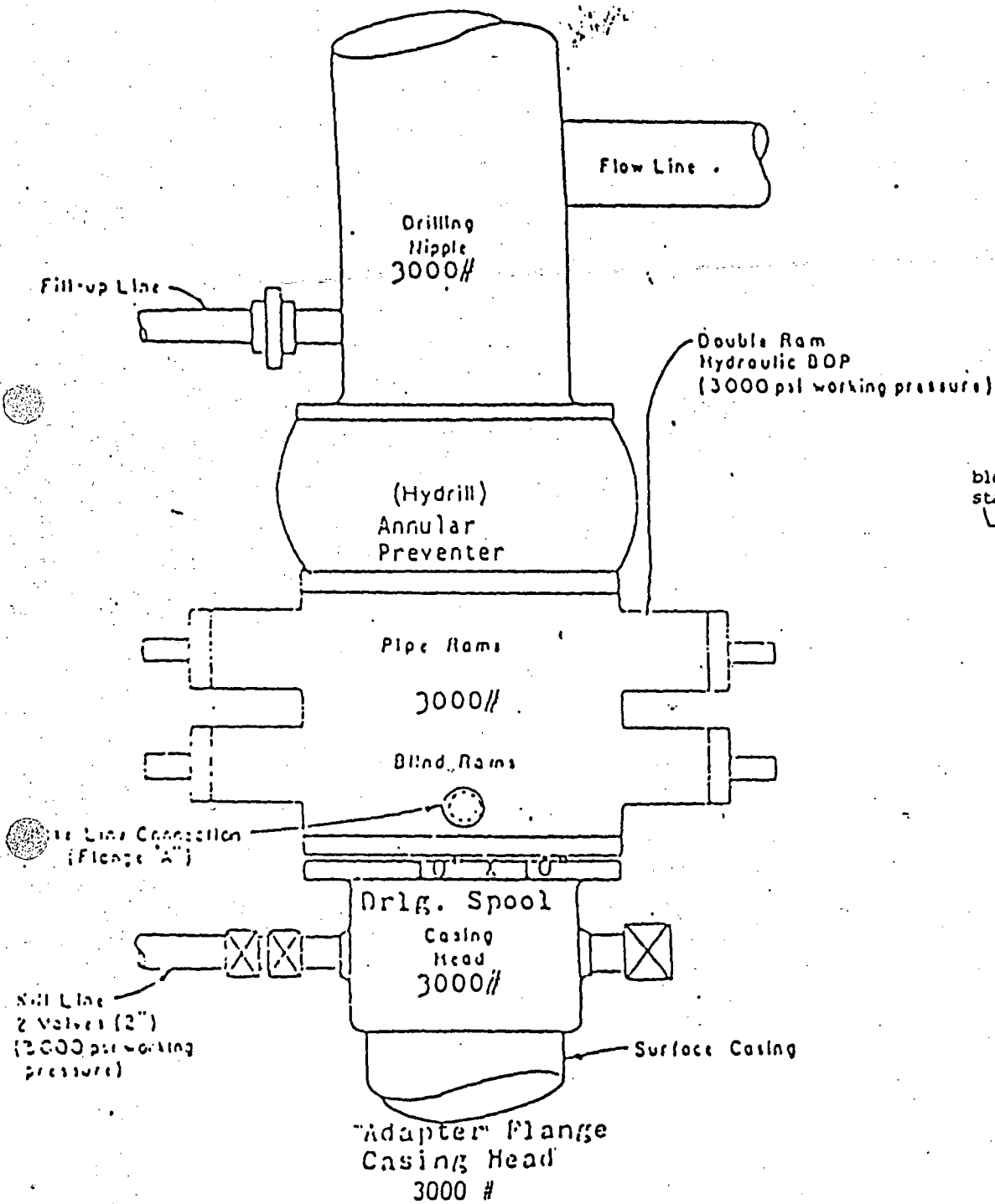
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

3-7-89

Date

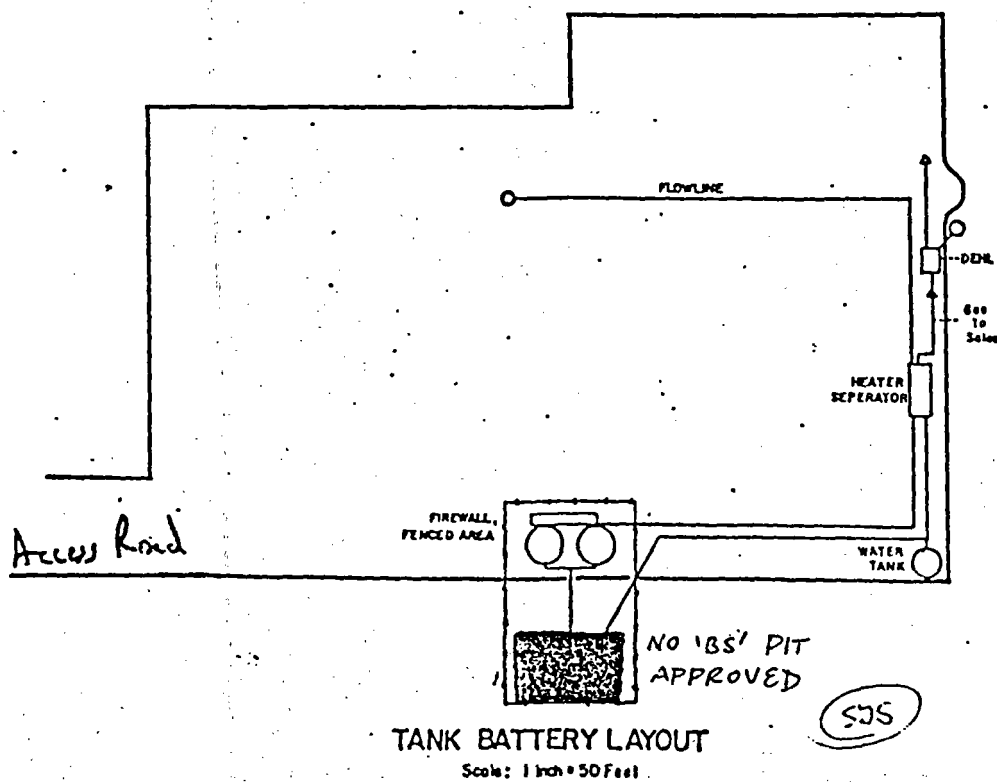
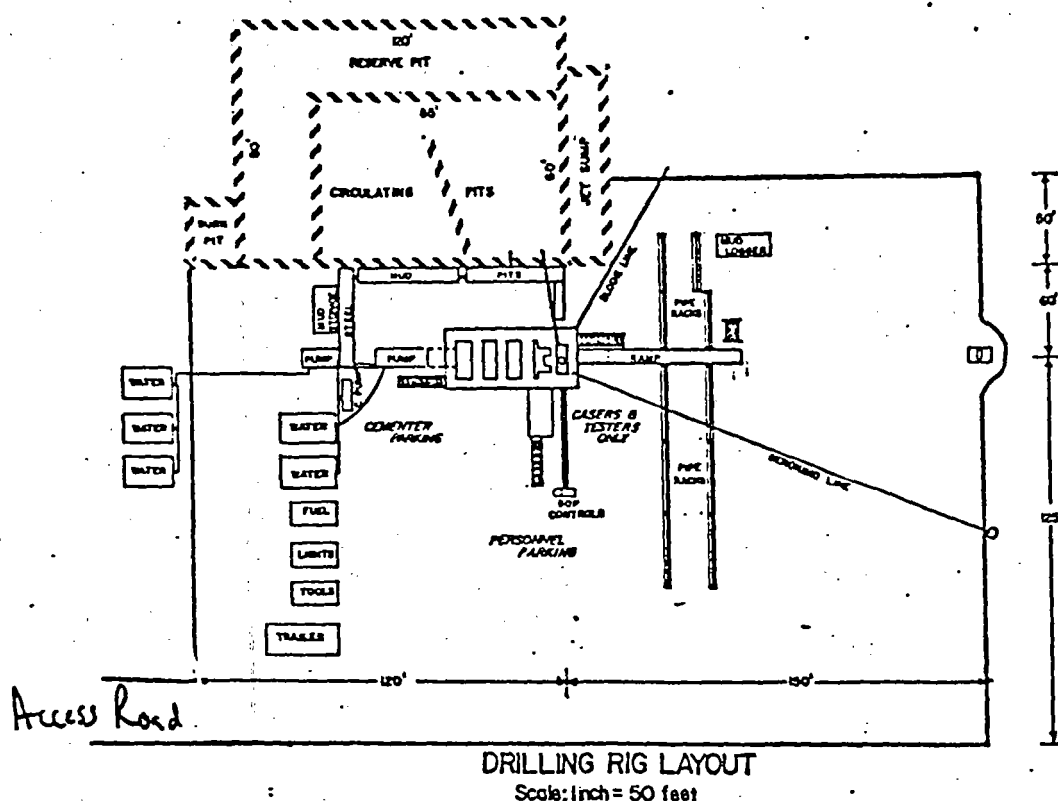
Ken Beardemphl

Ken Beardemphl
Landman



typical choke manifold assembly for 3M rated working pressure service-surface installation

EXHIBIT "B"
Blowout Preventer
Diagram



CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
J. SCOTT HALL
JOHN H. BEMIS
WILLIAM P. SLATTERY
MARTE D. LIGHTSTONE
PATRICIA A. MATTHEWS

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 26, 1989

RECEIVED

SEP 26 1989

HAND-DELIVERED

OIL CONSERVATION DIVISION

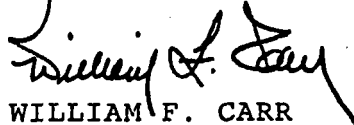
William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: In the Matter of the Application of Yates Petroleum
Corporation for Directional Drilling, Eddy County, New
Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the above-referenced application of Yates
Petroleum Corporation. Yates Petroleum Corporation respectfully
requests that this matter be placed on the docket for the Examiner
hearings scheduled on October 18, 1989.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Randy G. Patterson
105 South Fourth Street
Artesia, New Mexico 88210

RECEIVED

SEP 26 1989

BEFORE THE

OIL CONSERVATION DIVISION

OIL CONSERVATION DIVISION

DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF
YATES PETROLEUM CORPORATION,
FOR DIRECTIONAL DRILLING,
EDDY COUNTY, NEW MEXICO.

CASE NO. _____

APPLICATION

YATES PETROLEUM COMPANY, by its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its Zia "ZS" Federal Com Well No. 1, and in support thereof states:

1. Applicant is the operator of the Strawn and Morrow formations underlying the E/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant proposes to directionally drill its Zia "ZS" Federal Com Well No. 1 from a surface location of 563 feet from the South line and 2125 feet from the East line of Section 11, Township 20 South, Range 29 East, to a bottom hole location in the Morrow formation 2480 feet from the North line and 1980 feet from the East line of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County.

3. Applicant proposes to dedicate to the Zia "ZS" Federal Com Well No. 1 a standard proration unit comprised of the E/2 of said Section 14.

4. The directional drilling of this well will enable the Applicant to produce the reserves which underlie the above-referenced proration unit in the most economical and efficient manner.

5. Approval of this application will enable the Applicant to produce hydrocarbons that otherwise would not be produced and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on October 18, 1989, that notice be given as required by law and the rules of the Rules of the Division, and that the Division enter its Order granting the applicant permission to directionally drill its Zia "ZS" Federal Com Well No. 1 and granting such other relief as is appropriate.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: 

WILLIAM F. CARR
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR YATES PETROLEUM
CORPORATION