

DATE <u>2/25/02</u>	SUSPENSE <u>NA</u>	ENGINEER <u>DC</u>	LOGGED IN <u>KW</u>	TYPE <u>DHC</u>	APP NO <u>PKR/ 0206049342</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

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



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

FEB 25 2002

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or (Does Not Apply)

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

SAM BRANDON

Print or Type Name

Sam Brandon

Signature

Operations ENGINEER

Title

2-15-02

Date

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240

District II
811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised May 15, 2000

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, New Mexico 87505

APPLICATION TYPE

☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

APPLICATION FOR DOWNHOLE COMMINGLING

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

Big Bear 'ATN' 2 L 29-15S-35E Lea
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code API No. 30-025-35261 Lease Type: Federal ☒ State ☐ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Big Dog Atoka	Undesignated Morrow	Undesignated Chester
Pool Code	97118		
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11878' - 11882'	12746' - 12756'	13078' - 13091'
Method of Production (Flowing or Artificial Lift)	Artificial Lift	Flowing (Shut in)	Flowing (Shut in)
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	45	1145	1098
Producing, Shut-In or New Zone	Producing	Shut -in	Shut-in
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 1/30/02 Rates 99 BO, 64 mcf, 0 BW	Date: 4/19/01 Rates: 1 BO, 800 mcf, 0 BW	Date: 3/28/01 Rates 0 BO, 257 mcf, 0 BW
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 99% 6%	Oil Gas 1 % 71 %	Oil Gas 0% 23 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ☒ No ☐
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes ☐ No ☐

Are all produced fluids from all commingled zones compatible with each other? Yes ☒ No ☐

Will commingling decrease the value of production? Yes ☐ No ☒

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

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Sam Brandon TITLE Operations Engineer DATE 02/11/2002

TYPE OR PRINT NAME Sam Brandon TELEPHONE NO. (505) 748-4281

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35261		² Pool Code 97118		³ Pool Name Big Dog Atoka (Per Order R-11680)	
⁴ Property Code 25300		⁵ Property Name Big Bear ATN			⁶ Well Number #2
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4012' GR

¹⁰ Surface Location

UL or lot no. L	Section 29	Township 15S	Range 35E	Lot Idn	Feet from the 1675	North/South line South	Feet from the 660	East/West line West	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Susan Herpin Printed Name Engineering Technician Title February 14, 2002 Date			
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey Signature and Seal of Professional Surveyor: See Original Plat Certificate Number			

District I
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Energy, Minerals & Natural Resources Department

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Revised August 15, 2000

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Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35261		² Pool Code		³ Pool Name Wildcat Chester	
⁴ Property Code 25300		⁵ Property Name Big Bear ATN			⁶ Well Number #2
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4012' GR

¹⁰ Surface Location									
UL or lot no. L	Section 29	Township 15S	Range 35E	Lot Idn	Feet from the 1675	North/South line South	Feet from the 660	East/West line West	County Lea

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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Energy, Minerals & Natural Resources Department

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35261	² Pool Code	³ Pool Name Wildcat Morrow
⁴ Property Code 25300	⁵ Property Name Big Bear ATN	⁶ Well Number #2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4012' GR

¹⁰ Surface Location

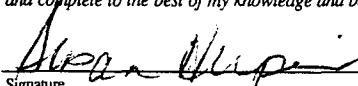
UL or lot no. L	Section 29	Township 15S	Range 35E	Lot Idn	Feet from the 1675	North/South line South	Feet from the 660	East/West line West	County Lea
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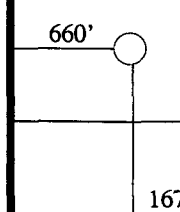
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Susan Herpin Printed Name Engineering Technician Title February 14, 2002 Date
				¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor: See Original Plat Certificate Number



660'

1675'

Attachment A
Big Bear ATN No. 2
Sec. 29-15S-35E
Lea County, New Mexico

Application For Downhole Commingling

- A. There are no uncommon working, royalty and overriding royalty interests in this well.
- B. The Big Dog (Atoka) is a new zone and production curves are not available.
The Undesignated Morrow is a new zone and production curves are not available.
The Undesignated Chester is a new zone and production curves are not available.
- C. Estimated producing rate for the Morrow based on production test on April 19, 2001.
Well stabilized for 4 hours producing at a rate of 800 MCF per day and approximately 1 barrel of oil per day.
Estimated producing rate for the Chester is based on production test on March 28, 2001.
Well stabilized for three hours producing at a rate of 257 MCF per day with no oil or water.
- D. Allocation is based on a recent producing test for the Atoka and reported rates for the Morrow and Chester.

February 15, 2002

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

Dear Mr. Catanach,

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Big Dog Atoka, Undesignated Morrow and Undesignated Chester pools in our Big Bear "ATN" No. 2 located in Unit L of Section 29, Township 15 South, Range 35 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4281. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sam Brandon".

Sam Brandon
Operations Engineer

GSB/cm

Enclosures

February 15, 2002

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

Dear Mr. Martinez,

Pursuant to the State Land Office Rule Nos. 1.053, 1.054 and 1.055, you will find enclosed the \$30.00 filing fee and a copy of the commingling application for the Big Bear "ATN" No. 2.

Should you have any questions, feel free to contact me at (505) 748-4281. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sam Brandon". The signature is written in dark ink and has a fluid, connected style.

Sam Brandon
Operations Engineer

GSB

February 15, 2002

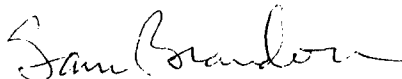
State of New Mexico
OIL CONSERVATION DIVISION
1625 N. French Dr
Hobbs, NM 88240

Dear Sir:

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from Big Dog Atoka, Undesignated Morrow and Undesignated Chester pools in our Big Bear "ATN" No. 2 located in Unit L of Section 29, Township 15 South, Range 35 East, Lea County.

If you have any questions or need additional information, please call me at (505) 748-4219. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sam Brandon".

Sam Brandon
Operations Engineer

GSB

Enclosures