

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



OIL CONSERVATION DIVISION
RECEIVED

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

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

'91 JUL 2 AM 9 03

June 28, 1991

Mr. Jim Morrow
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

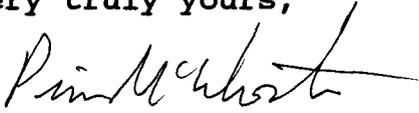
Dear Mr. Morrow:

Pursuant to our telephone conversations on June 24 & 25, 1991, I am writing concerning Yates Petroleum Corporation's pending recompletion of the Johnston BE Federal #1 from the Boyd Morrow Gas Pool to the North Dagger Draw Upper Pennsylvanian Pool, Eddy County, New Mexico. This well is located 330 FNL & 330 FEL of Section 8, Township 19 South, Range 25 East, N.M.P.M., Eddy County, New Mexico. The Johnston BE Federal #1 was originally drilled to 4075' in July, 1967 and subsequently was temporarily abandoned. Yates Petroleum Corporation re-entered this well in January 1972 under a permit to test the Cisco to a proposed depth of 7800'. Since this was an unorthodox location for the Cisco/Canyon formation Yates was granted an Administrative Order NSL-535 to deepen this well to the Cisco zone of the Pennsylvanian formation. A later modification of this order permitted a further deepening to the Morrow. This was an unorthodox location in the Morrow also. The well was deepened to 9222' and completed in the Boyd Morrow Gas Pool on April 28, 1972. This well has produced from Morrow from that date until the present. Our interpretation is that we can accomplish a recompletion into the Canyon formation because we find that:

- 1) The Canyon formation of the North Dagger Draw-Upper Pennsylvanian Pool is the same as the subject Cisco formation of the original Administrative Order NSL-535.
- 2) The Administrative Order NSL-535 was only modified to include the Morrow formation and thereby is still in effect.
- 3) Said well also meets the criteria for an unorthodox location as provided for in Statewide Rule 104F(1).

Therefore, Yates Petroleum Corporation intends to proceed with this recompletion to the Canyon formation of the North Dagger Draw-Upper Pennsylvanian Pool.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Pinson McWhorter".

Pinson McWhorter
Reservoir Engineer

PMW/cvg

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE
(Other instructions on reverse side)

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

5. LEASE DESIGNATION AND SERIAL NO
NM 1372

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Johnston "BE"

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Dagger Draw Upper Penn

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

Sec 8-19S-25E

Unit A. NMPM

12. COUNTY OR PARISH 13. STATE

Eddy

NM

1. 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/GAS WELL OTHER WELL OTHER

2. NAME OF OPERATOR
Yates Petroleum Corporation

3. ADDRESS OF OPERATOR
105 South Fourth St., Artesia, N.M. 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)
At surface 330' FNL & 330' FEL of Sec 8-19S-25E

14. PERMIT NO.

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

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) Recomplete

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON*

CHANGE PLANE

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT*

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

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.)

Propose to abandon Morrow completions w/CIBP at 8950' w/35' cmt. on top, perforate Canyon dolomite at 7871-7900' and stimulate as needed for production.

RECEIVED

SEP 28 8 10 AM '87
CARLETON DISTRICT OFFICE
AREA REGULATORS

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

SIGNED

Eddie M. [Signature]

TITLE

Senior Engineer

DATE

9-24-87

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

10-8-87

*See Instructions on Reverse Side

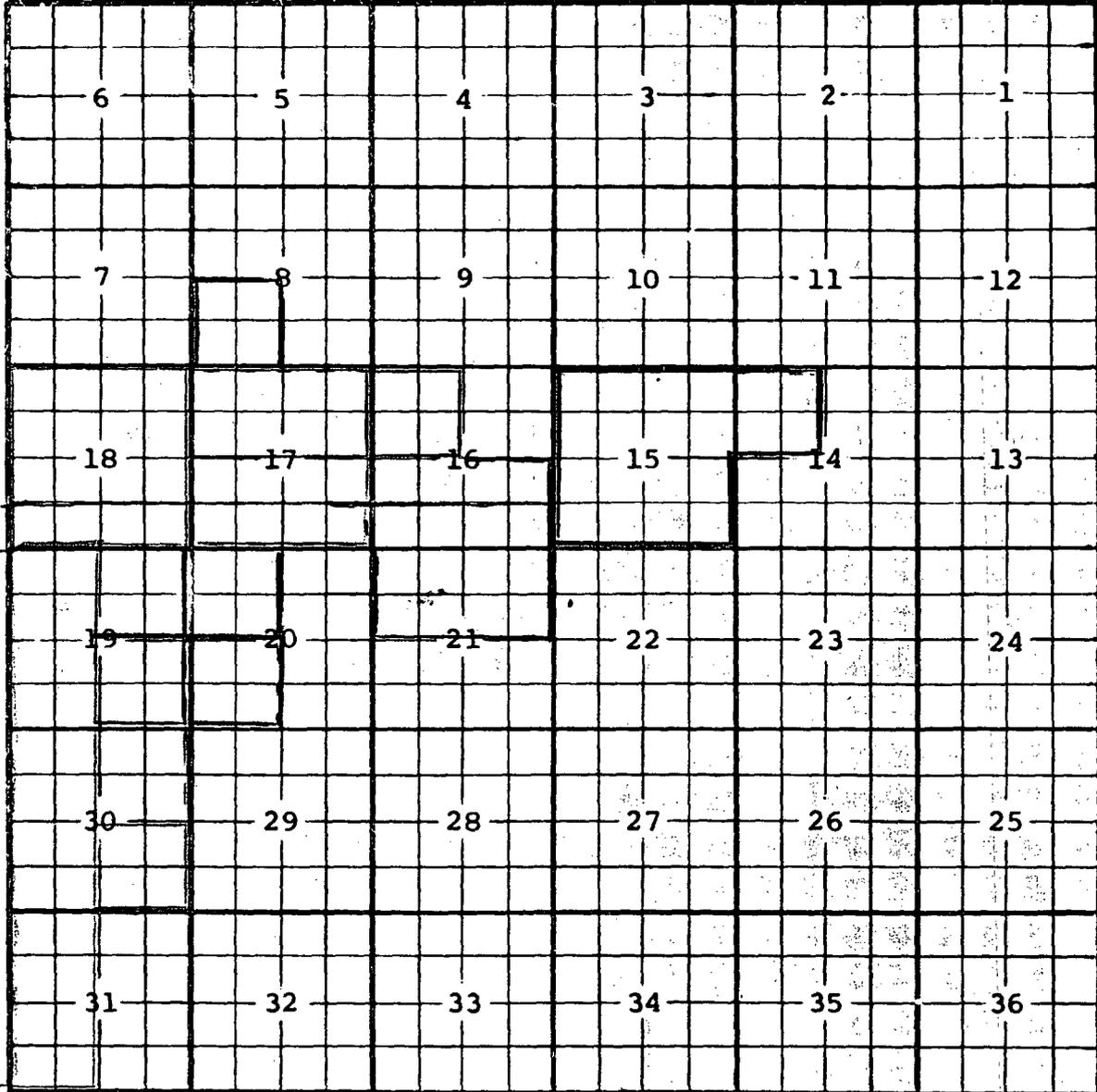
COUNTY *Eddy*

POOL *North Dagger Draw - Upper Pennsylvanian*

TOWNSHIP *19 South*

RANGE *25 East*

NMPM



Description: All Sec 18, ^w/₂ Sec 19, ^w/₂ Sec 30, ^w/₂ Sec 31 (R-4691, 1-1-74)
Ext: ^N/₂ Sec 17 (R-4821, 8-1-74) Ext: ^S/₂ Sec 17 (R-5063, 7-1-75)
Ext: ^{SE}/₄ Sec 30 (R-5309, 11-1-76) Ext: ^{NW}/₄ Sec 16 (R-5667, 4-1-78)
Ext: ^S/₂ Sec 16, ^N/₂ Sec 21 (R-7131, 11-30-82) Ext: ^{NE}/₄ Sec 19 (R-8391, 1-22-87)
Ext: ^{SE}/₄ Sec 19 (R-8484, 8-13-87) Ext: ^{NE}/₄ Sec 30 (R-8665, 6/9/88)
Ext: ^{SW}/₄ sec 8 (R-8827, 12-22-88) Ext: ^{NW}/₄ sec 20 (R-8945, 5-31-89)
Ext: ^{SW}/₄ Sec 20 (R-9096, 1-1-90) Ext: ^{NW}/₄ sec 14, All sec 15 (R-9134, 4-1-90)

746 - 6 480

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

January 28, 1972

Losee & Carson
P. O. Drawer 239
Artesia, New Mexico 88210

Attention: A. J. Losee

Administrative Order NSL-535

Gentlemen:

Reference is made to your application for approval of an unorthodox gas well location for Yates Petroleum Corporation's Johnston "BE" Well No. 1, located 330 feet from the North line and 330 feet from the East line of Section 8, Township 19 South, Range 25 East, NMPM, undesignated Cisco Gas Pool, Eddy County, New Mexico.

By authority granted me under the provision of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/GMH/dr
cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

February 14, 1972

Losee & Carson
P. O. Drawer 239
Artesia, New Mexico 88210

Attention: Mr. A. J. Losee

Administrative Order NSL-536

Gentlemen:

Reference is made to Yates Petroleum Corporation's application for approval of an unorthodox gas well location for its Johnston "BE" Well No. 1, a wildcat Morrow gas well, located 330 feet from the North line and 330 feet from the East line of Section 8, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

By authority granted me under the provision of Rule 104 F of the Commission Rules and Regulations, the above-described unorthodox location is hereby approved.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/GMH/dr
cc: Oil Conservation Commission - Artesia
Oil & Gas Engineering Committee - Hobbs
United States Geological Survey - Roswell

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



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DENNIS G. KINSEY
TREASURER

July 11, 1991

Fasken Oil and Ranch Interests
303 West Wall Avenue, Suite 1900
Midland, TX 79701-5116

RE: Johnston "BE" Fed. Com. #1
Township 19 South, Range 25 East
Section 8: NE/4
Eddy County, New Mexico

Gentlemen:

On January 25, 1972, Yates Petroleum Corporation applied for an exception location for a Morrow gas well, pursuant to Rule 104-F for the captioned well, located 330 FNL and 330 FEL of Section 8, Township 19 South, Range 25 East. On January 28, 1972, the Oil Conservation Commission approved this unorthodox location by Administrative Order NSL-535.

Yates Petroleum Corporation is now attempting to complete this well in the Canyon (Upper Penn) formation. The Oil Conservation Commission has requested that Yates Petroleum Corporation notify all offset operators of our plans.

If you have any objections to our completion of this well in the Canyon formation, please advise.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Mecca Mauritsen

Mecca Mauritsen
Associate Landman

MM/jrw

P 776 456 778



Certified Mail Receipt
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to	
Fasken Oil and Ranch Interests	
Street & No.	
303 West Wall Ave. Suite 1900	
P.O., State & ZIP Code	
Midland, TX 79701-5116	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Address of Delivery	
TOTAL Postage & Fees	\$
Postmark or Date	
7-11-91 jrw	

PS Form 3800, June 1990

SENDER: Complete items 1 and 2 when additional services are desired and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

- 1. Show to whom delivered, date, and addressee's address. Restricted Delivery (Extra charge)

3. Article Addressed to:

Fasken Oil and Ranch Interests
303 West Wall Avenue, Suite 1900
Midland, TX 79701-5116

4. Article Number

P 776 456 778

Type of Service:

- Registered Insured
- Certified COD
- Express Mail Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee

X

6. Signature

X

7. Date of Delivery

7-15-91

8. Addressee's Address (ONLY if requested and fee paid)

Johnston "BE" Fed. Com. #1