

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

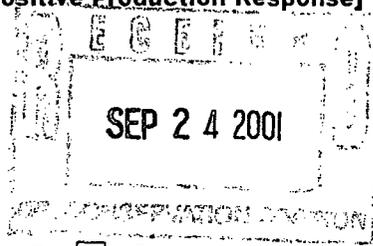


ADMINISTRATIVE APPLICATION CHECKLIST

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 _____

- [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.

Robert Bullock [Signature] LANDMAN 9-20-01
 Print or Type Name Signature Title Date

 e-mail Address

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
OL CONSERVATION DIV
PEYTON-YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
01 SEP 24 PM 11:39
DENNIS G. KINSEY
TREASURER

September 20, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87508

CERTIFIED MAIL
Return Receipt Requested

RE: Application for Unorthodox Location
Runnels ASP #5
Shoe Bar Strawn, North Pool
Township 16 South, Range 35 East
Section 11: 750' FSL & 1100' FEL
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully requests administrative approval for an unorthodox Strawn oil well, the Runnels ASP #5. The proposed well is located on fee minerals at a location 750' FSL and 1100' FEL of Section 11, Township 16 South, Range 35 East, Lea County, New Mexico.

The pool rules for the North Shoe Bar-Strawn state that a well is to be located within 150' of center of any quarter-quarter section and our location is therefore unorthodox.

Our geology department feels like this non-standard is required in order to penetrate the objective reservoir at the most favorable location. Please find enclosed our geological isopach map with explanation attached justifying this location.

Yates Petroleum Corporation is the operator of all wells drilled in Section 11. Notification has not been provided as it is not an issue in this situation.

Enclosed are Forms C-101, C-102, land plat, administrative application checklist and geological justification. Yates requests that this unorthodox location be administratively approved if all requirements have been met.

Please call me at (505) 748-4351 if you need any additional information.

Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised March 17, 1999
Instructions on back
Submit to appropriate District Office

DISTRICT II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

State Lease - 6 Copies
Fee Lease - 5 Copies

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

PO BOX 2088
Santa Fe, NM 87504-2088

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30-
⁴ Property Code 23257	⁵ Name Runnels "ASP"	⁶ Well No. 5

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
P	11	16S	35E		750	South	1100	East	Lea

⁸ Proposed 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
⁹ Proposed Pool 1 Shoe Bar Strawn, North					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code X P	¹⁵ Ground Level Elevation 3975'
¹⁶ Multiple No	¹⁷ Proposed Depth 11,700'	¹⁸ Formation Strawn	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	400'	400 sx	Surface
11"	8 5/8"	32#	4700'	1500 sx	Surface
7 7/8"	5 1/2"	17#	11700	400sx	TOC-9100'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new production. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Strawn and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4700' and cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FWGel, Paper, LCM; 400-4700' Brine; 4700-11300' FW with sweeps as needed; 11300'-11700' SW Gel/Drispac/Starch.

BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Clifton R. May</i>		OIL CONSERVATION DIVISION	
Printed name: Clifton R. May		Approved by:	
Title: Regulatory Agent		Title:	
Date: 09/13/01		Approval Date:	Expiration Date:
Phone: (505) 748-1471		Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Elc Brazos Rd., Aftoc, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87606

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Shoe Bar Strawn, North
Property Code 23257	Property Name RUNNELS "ASP"	Well Number 5
OGEED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3975

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	16S	35E		750	SOUTH	1100	EAST	LEA

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
150.00			

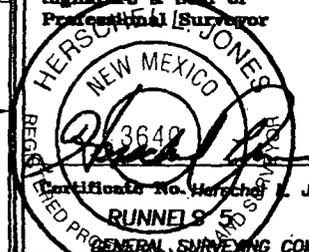
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				OPERATOR CERTIFICATION
				<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="font-size: 1.5em; text-align: center;"><i>Clifton R. May</i></p> <p>Signature</p> <p>Clifton R. May Printed Name</p> <p>Regulatory Agent Title</p> <p>9-13-01 Date</p>
				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.

9/11/2001
Date Surveyed

Signature & Seal of Professional Surveyor



REGULATED PROFESSIONAL SURVEYING COMPANY

Certificate No. Herschel L. Jones RLS 3640

RUNNELS
AP# 2

--- 2270 ---

1650'

FEE

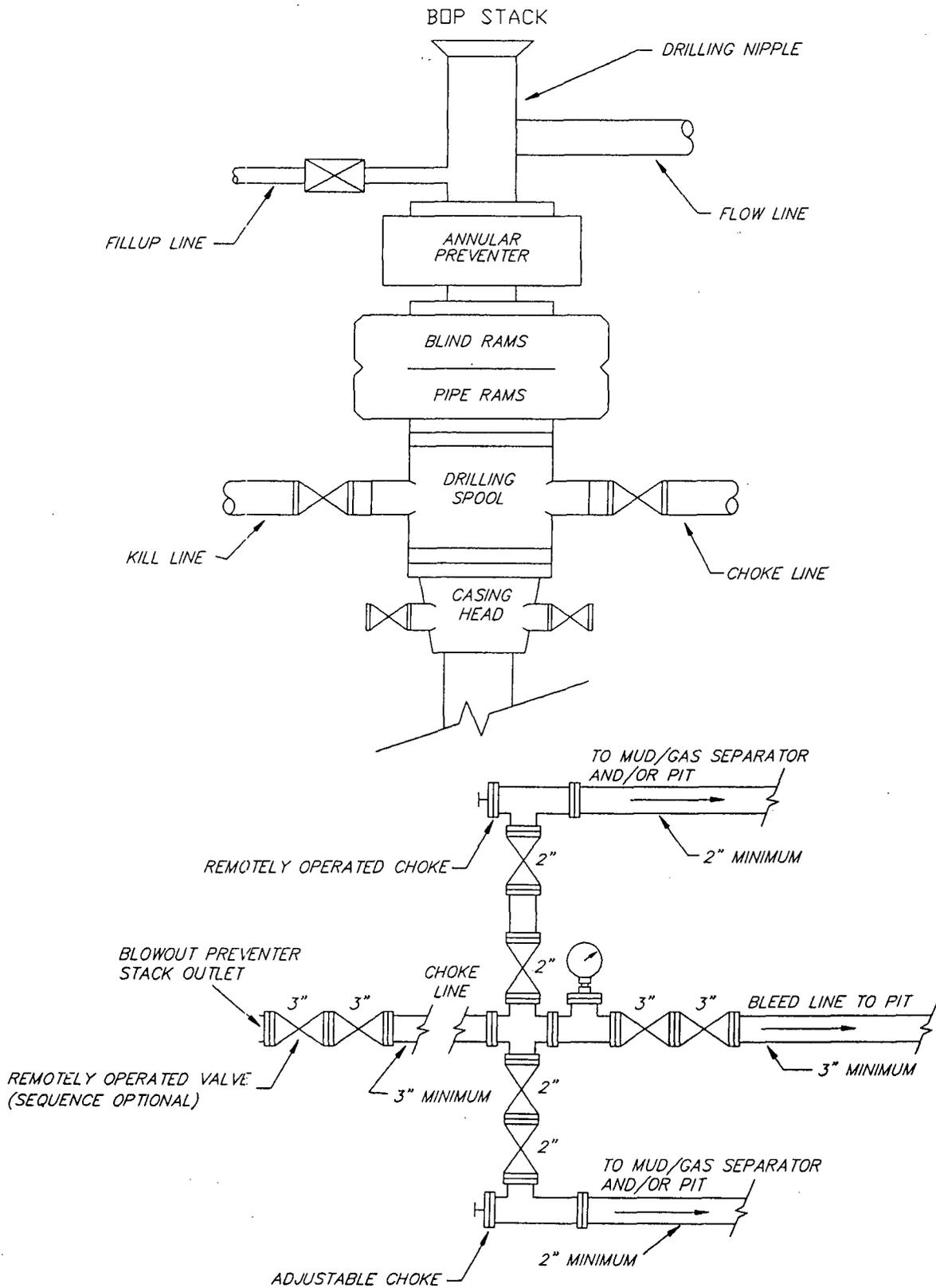
N. 32° 55' 52.8"
W. 103° 25' 23.8"

1100'

760'

YATES PETROLEUM CORPORATION

TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC



Bruno E. Marshall
to 14,000
"Niks"
Dn. O. G.
T.M.
Hopkins
HL
Shell
Hilburn
Dan Field

Shell
Simmons
(Tidewater)
Arrington
2-6-2002
N/E 2 SF (4)
5/8
Machris
HBC
Yates et al
4-29-2001
Shen
Hilburn
Dan Field

Yates Pet. et al
15-97
VA 604
HBC
(Shell)
Ocean
Eggs
"B"
E-82661
3-APK
Yates Pet.
Field St.
Com.
Morri
Disc
Townsend
St.

Chevron
(Shell)
E-7720
"TD"
Ocean En.
(P/B) Townsend
P264
BHL
Townsend
St.
Com
UMC
Townsend
Ray E. Alma
St. 11935
Douglas
Ocean En.
State
UMC Pet.
Townsend-
St.
TO 11340

INGTON'S
(STR.) UT
GILLESPIE-
CROW (OPER.)
Gillespie
State
TO 11,707

F. et al
2-AG
Amer.
Simmons et al
Schenck
son) 2-AGK
(42)
AGK (WO)
Yates Pet.
Brunson-St.
Atoka Disc
IC-E12
Yates Pet.
Biaf. St.
At. Disc.
3.3 Mil.
Dil)
1062 "26"
S Pet 2-ASN
1st St.

David Pet.
(ATP) Yates
Pet.
wo
Schenck
2-ANB
F151
Shell-Lusk
(R.V. Watts)
HBC
W12
Yates
Pet. et al
VA-75?
1-ATK
Yates Pet.
Jones St.
Com.
2-ATK
WO
F582
State

Koch E.
Bisset
30 Shell
Yates Pet.
et al
(Perry & Perry)
Shell Lusk Com.
Shell-Lusk
(3)
WO
Yates Pet.
Shell-Lusk-Com.
At. Disc
1-ATK
Yates Pet.
Jones St.
Com.
State

Runnels
Lusk
4
TO 226
BHL
F449
Yates
Pet. et al
E12
Runnels
(2)
Lusk
Simmons
TD 12523
Witt
J/A 10714
Yates Pet. et al
(David Pet.)
1-31-2001 SE/4
J.T.
2-ASP
Dual
Carlisle
Yates Pet.
Burns
(R. Burns)
(LWH)
ASP
Runnels
(Min. Div)
V. R. Hilburn

Chesapeake
V. 5250
Big Oil
(Pan Amer.) "Kaia"
BHL
((David
Pet.)
F1276
11-31-2001
(84-2000)
State
(Yates Pet. et al)
Chesapeake
Oper
10-3-2000 5-22-2001
(David Pet.)
8-8-2001
Yates Pet.
(TXO)
Cambridge
Roy Co.
TD 11560
T. Lusk M.I.
J.T. Carlisle

Chesapeake
1
kd
P & A. Carter
Chesapeake
Boyce
Lickson
Chesapeake

5
Arrington
Mayfly
St.
TD 3500
4
Chesapeake
HBC
(Manzana)
9450
10950 SW/4
D. Arrington

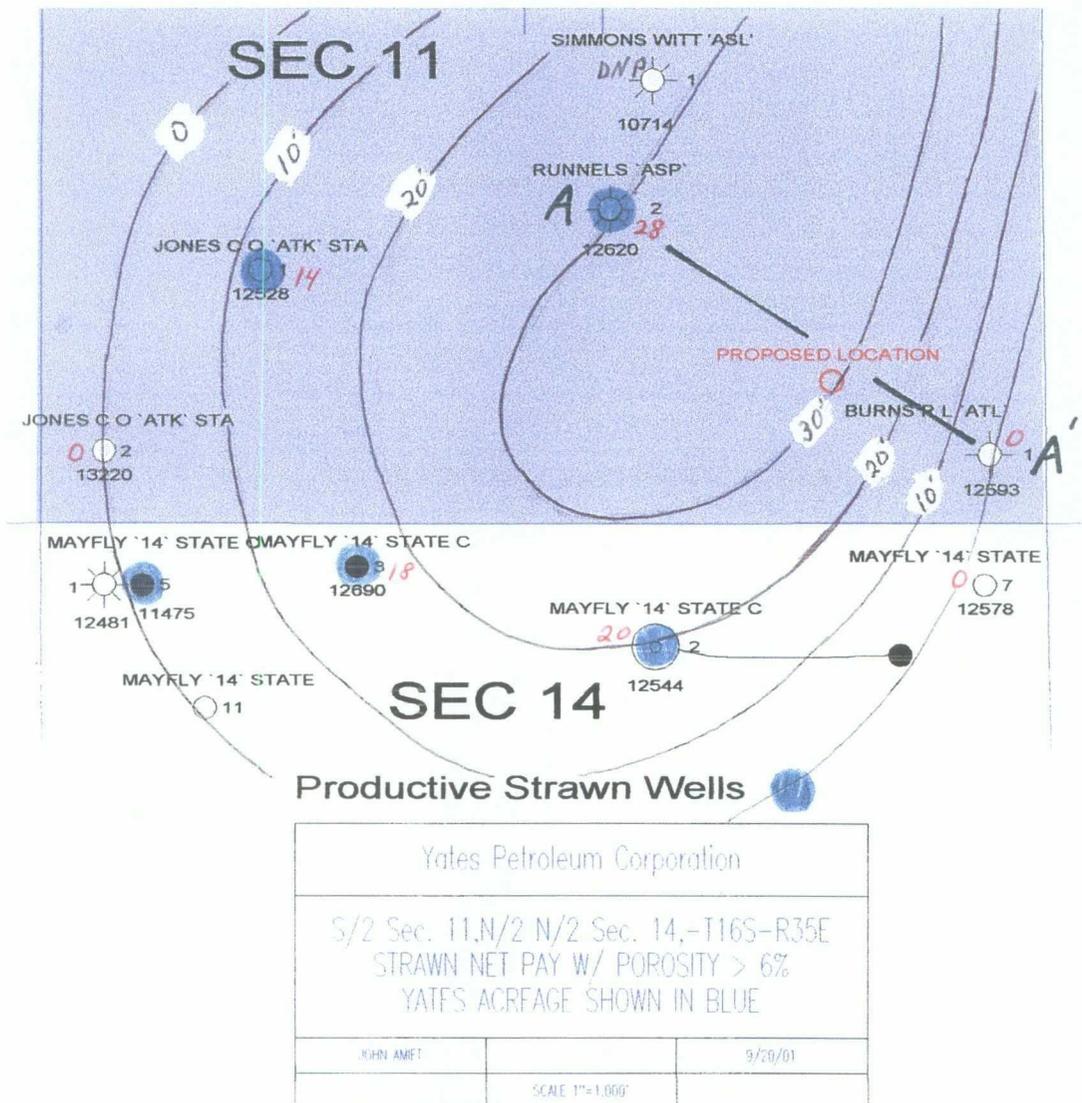
3 Arrington
Mayfly St.
Com.
Arrington
L-5489
C.E. Oberholfer
et al 1/4 M.I.
Bledsoe
HBP 5953
Arrington
(Mesa)
St.)
TD 12050
Manzano Oil

Permian Res
3 Hilburn
M.A. Favis, et al
B.R. Hilburn, et al
Permian Res
Str. Disc
Hilburn
F1416
2.6 Mil
F.J. Danglade, et al M.I.
J.T. Carlisle
Permian Res

Runnels ASP #5 Unorthodox Location Description and Geologic Justification

Yates Petroleum Corporation is requesting a non-standard location to drill an 11,700' Strawn test located 1100' FEL and 750' FSL section 11 T16S R35E, Lea Co. New Mexico. The Strawn formation produces oil in this area from porous limestone reservoirs on the northeastern flank of a structural high.

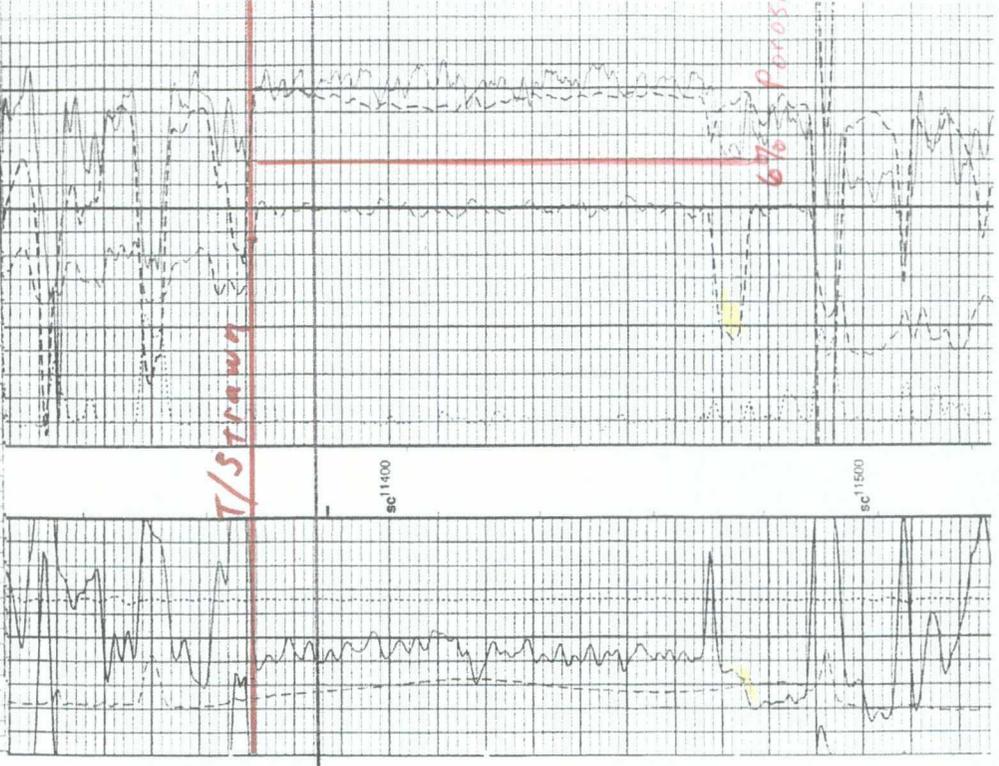
The net pay isopach map shown below indicates that it would be prudent to move the location away from the Burns dry hole which has no pay and toward the Runnels ASP #2 well which has 28' of pay zone (See the attached cross section A-A'). The net pay map indicates that the Runnels #5 location should have 30' of net porosity > 6% and still be far enough away from the Runnels #2 to avoid interfering with this producing Strawn well. The proposed location should also protect the correlative rights from the offsetting competitor wells to the south.



A

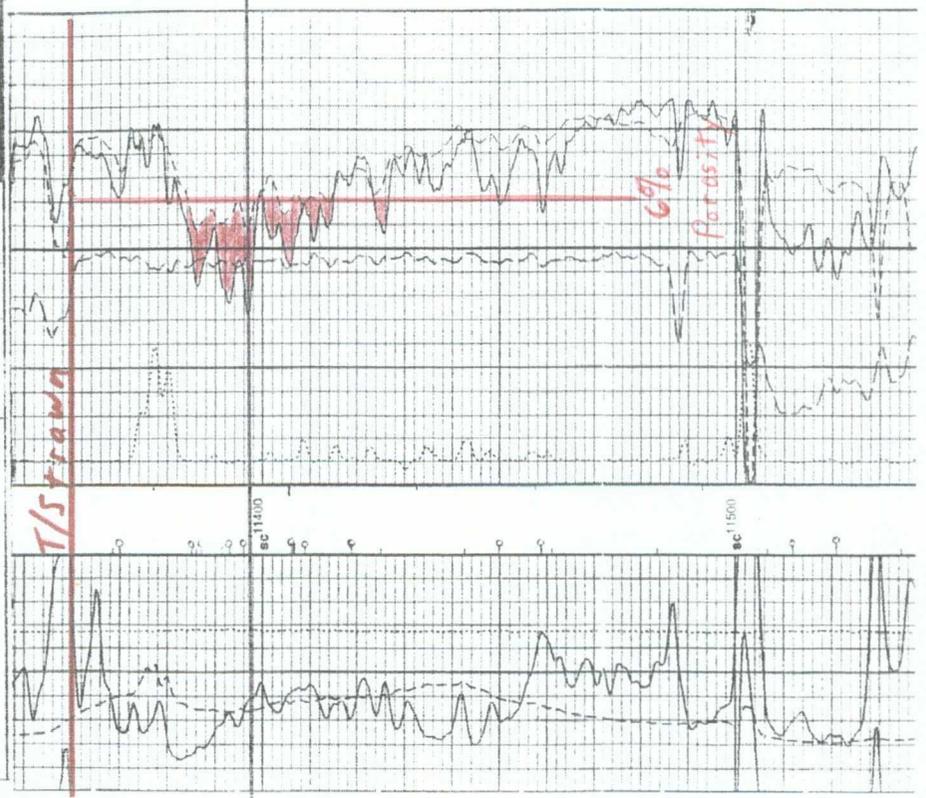
WELL: R.L. Burns "ATL" # 1
 FIELD: Wild Cat
 COUNTY: LEA STATE: N.M.

Schlumberger		PLATFORM EXPRESS THREE DETECTOR DENSITY COMPENSATED NEUTRON	
330 FSL 330 FEL Section 11-16S 35E, Lea Co., NM		Elev. K.B. 3985 ft G.L. 3971 ft D.F. 3984 ft	
Permanent Datum: GROUND LEVEL Log Measured From: KELLY BUSHING Drilling Measured From: KELLY BUSHING		Elev. 3971 ft 14.0 ft above Perm. Datum	
API Serial No. 30-025-24559	SECTION 11	TOWNSHIP 16 S	RANGE 35 E
Logging Date 1-MAR-2000	Well Number 12330 F	Well Depth 12301 F	Well Interval 10600 F
Drilling Date 1-MAR-2000	Drilling Time 18:00	Drilling Location 3076 HOBBS	Drilling By W. YOUNT / M. LOPEZ



WELL: Runnels 'ASP' No. 2
 FIELD: Townsend Morrow
 COUNTY: Lea STATE: New Mexico

Schlumberger		PLATFORM EXPRESS Three Detector Litho-Density Compensated Neutron / GR	
16507 FSL & 2270 FEL		Elev. K.B. 3972.5 F G.L. 3979 F D.F. 3996.5 F	
Permanent Datum: GROUND LEVEL Log Measured From: Kelly Bushing Drilling Measured From: Kelly Bushing		Elev. 3979 F 18.5 F above Perm. Datum	
API Serial No. 30-025-34443	SECTION 11	TOWNSHIP 16 S	RANGE 35 E
Logging Date 18-SEP-1998	Well Number 12620 F	Well Depth 12617 F	Well Interval 1000 F
Drilling Date 18-SEP-1998	Drilling Time 18:00	Drilling Location 3015 FARMER	Drilling By Niles Schindler



A

-7400'

December 11, 1998

**Yates Petroleum Corporation
105 South 4th Street
Artesia, New Mexico 88210**

Telefax No. (505) 748-4585

Attention: Morris Keith

Administrative Order NSL-4177(MC)

Dear Mr. Keith:

Reference is made to the following: (i) your initial application for Yates Petroleum Corporation ("Yates") to the New Mexico Oil Conservation Division (Division") for multiple completion filed on Division Form C-107 and dated November 24, 1998; (ii) the Division's response to this application by letter from Mr. Michael E. Stogner, Engineer in the Division's Santa Fe office, dated November 30, 1998; (iii) Yates' application for a well location exception filed by Mr. Robert Bullock on December 8, 1998; (iv) your supplemental technical data submitted on December 9, 1998 to support Division Form C-107; (v) your various telephone conversations with and voice mail messages left for Mr. Stogner; and, (vi) the records of the Division in Santa Fe: all concerning Yates' request for:

- (1) an unorthodox well location in both the Undesignated North Shoe Bar-Atoka Gas Pool and the Undesignated North Shoe Bar Strawn Pool for Yates' existing Runnels "ASP" Well No. 2 (API No. 30-025-34443), located 1650 feet from the South line and 2270 feet from the East line (Unit J) of Section 11, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico; and,
- (2) an exception to Division Rule 112-A.C for authorization to dually complete this well in such a manner as to permit the production of oil from the Strawn interval through a string of 2-7/8 inch tubing and the production of gas through the 5-1/2 inch casing/tubing annulus.

The SE/4 of Section 11, being a standard 160-acre oil spacing and proration unit in the Undesignated North Shoe Bar-Strawn Pool, and the E/2 of Section 11, being a standard 320-acre gas spacing and proration unit in the Undesignated North Shoe Bar-Atoka Gas Pool, are to be dedicated to this well.

Division Administrative Order NSL-4177(MC)

Yates Petroleum Corporation

December 11, 1998

Page 2

The Division records indicate that Yates commenced drilling this well on July 28, 1998 and on September 16, 1998 total depth of 12,620 feet was reached. In October, 1998 the Atoka was successfully completed as a gas well and production commenced on October 12, 1998.

This application has been duly filed under the provisions of Division Rules 104.F and 112-A.C and D. Review of this application indicates that its approval is in the best interest of conservation and will not cause waste nor impair correlative rights.

By the authority granted me under the provisions of RULE 5 of the "*Special Rules and Regulations for the North Shoe Bar-Strawn Pool*," as promulgated by Division Order No. R-4658, as amended, and Division Rule 104.F(2), the unorthodox location of Yates' Runnels "ASP" Well No. 2, as described above, in both the Undesignated North Shoe Bar-Strawn Pool and the Undesignated North Shoe Bar-Atoka Gas Pool, is hereby approved.

Furthermore, Yates is authorized to dually complete this well in the manner described above, provided however that: (i) the well is produced and operated in accordance with the provisions of Division Rule 112-A; and, (ii) a packer leakage test be preformed upon completion and annually thereafter.

Sincerely,

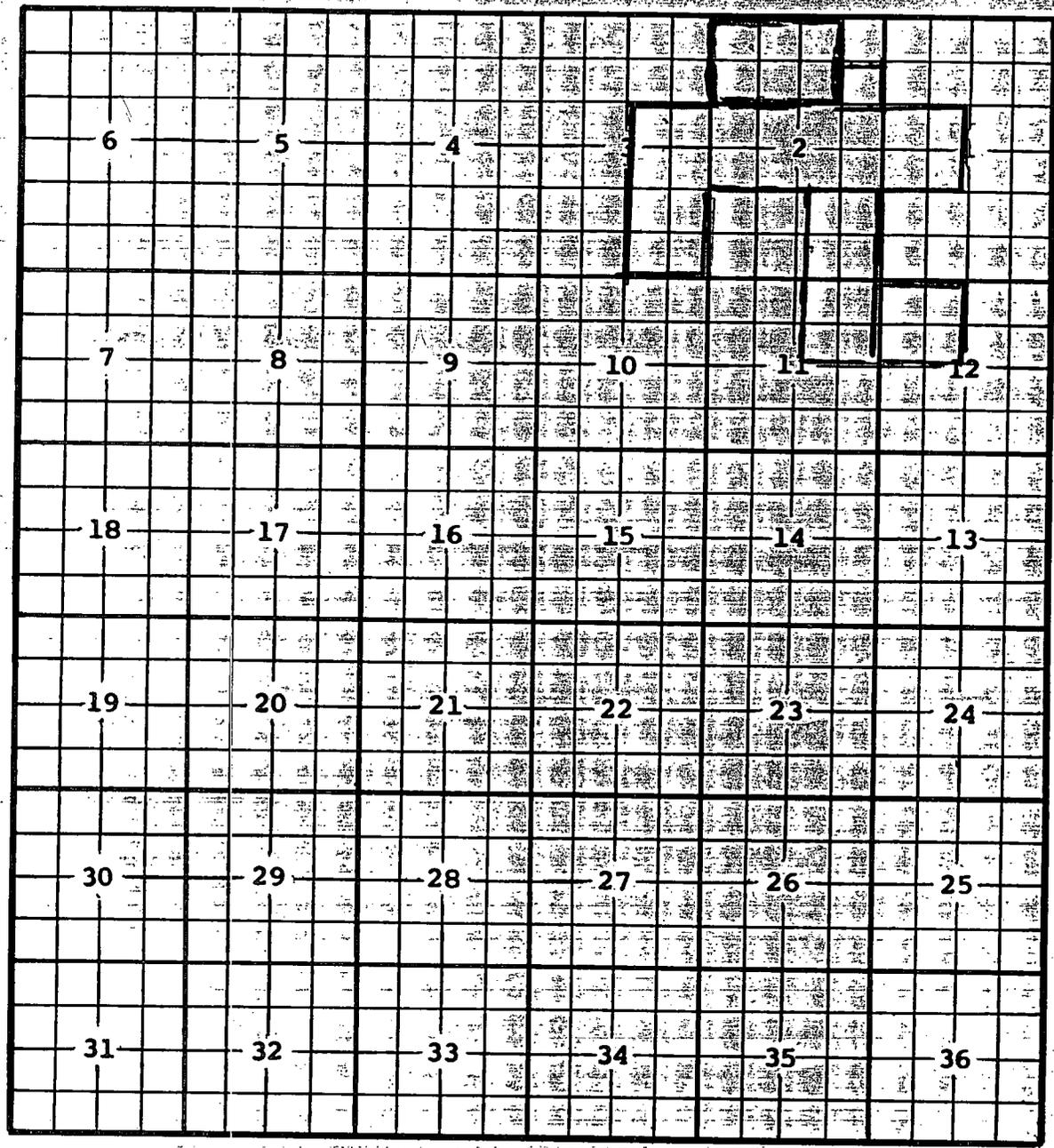


Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
Mr. Robert Bullock, Yates Petroleum Corporation - Artesia
Mr. William F. Carr, Legal Counsel for Yates Petroleum Corporation - Santa Fe

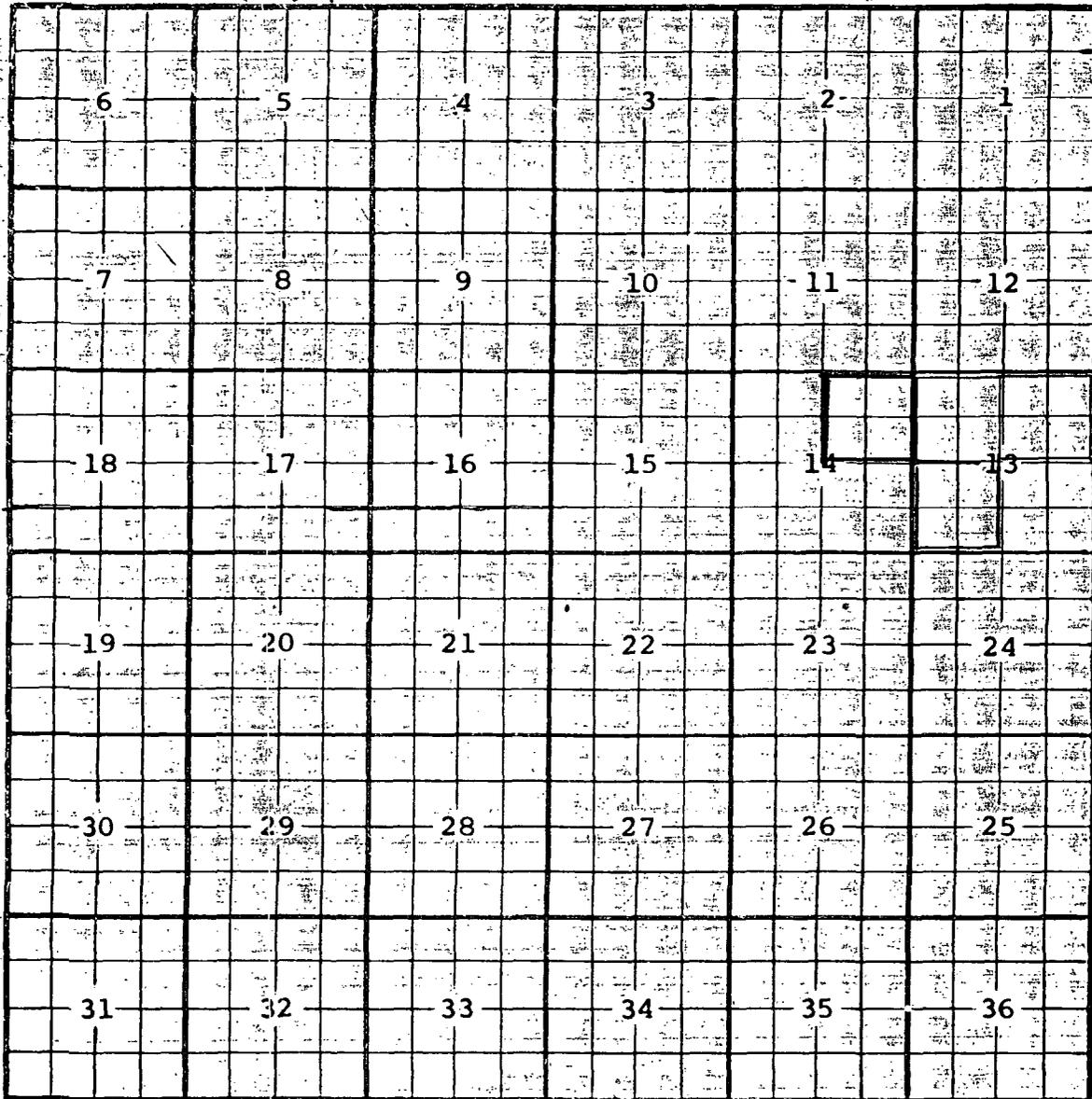
COUNTY Lea POOL South Big Dry - Graun
TOWNSHIP 16 South RANGE 35 East NMPM



Description: Lots 2 through 7; Sec. 2 (R-9722-C/R-10448-A, 2-26-47)
Ext: Lots 11, 12, 13 and 14 Sec. 1, Lots 9 through 16 Sec. 2, Lots 9, 10, 15, 16 and SE 1/4 Sec. 3
(R-10910, 10-31-97) Ext: Lot 8 Sec. 2 (R-10972, 4-13-98)
Ext: SE 1/4 Sec. 2, NE 1/4 Sec. 11 (R-11243, 9-15-99) Ext: NW 1/4 Sec. 12 (R-11304, 1-12-00)

COUNTY Lea POOL North Shoe Bar - Strawn

TOWNSHIP 16 South RANGE 35 East NMPM



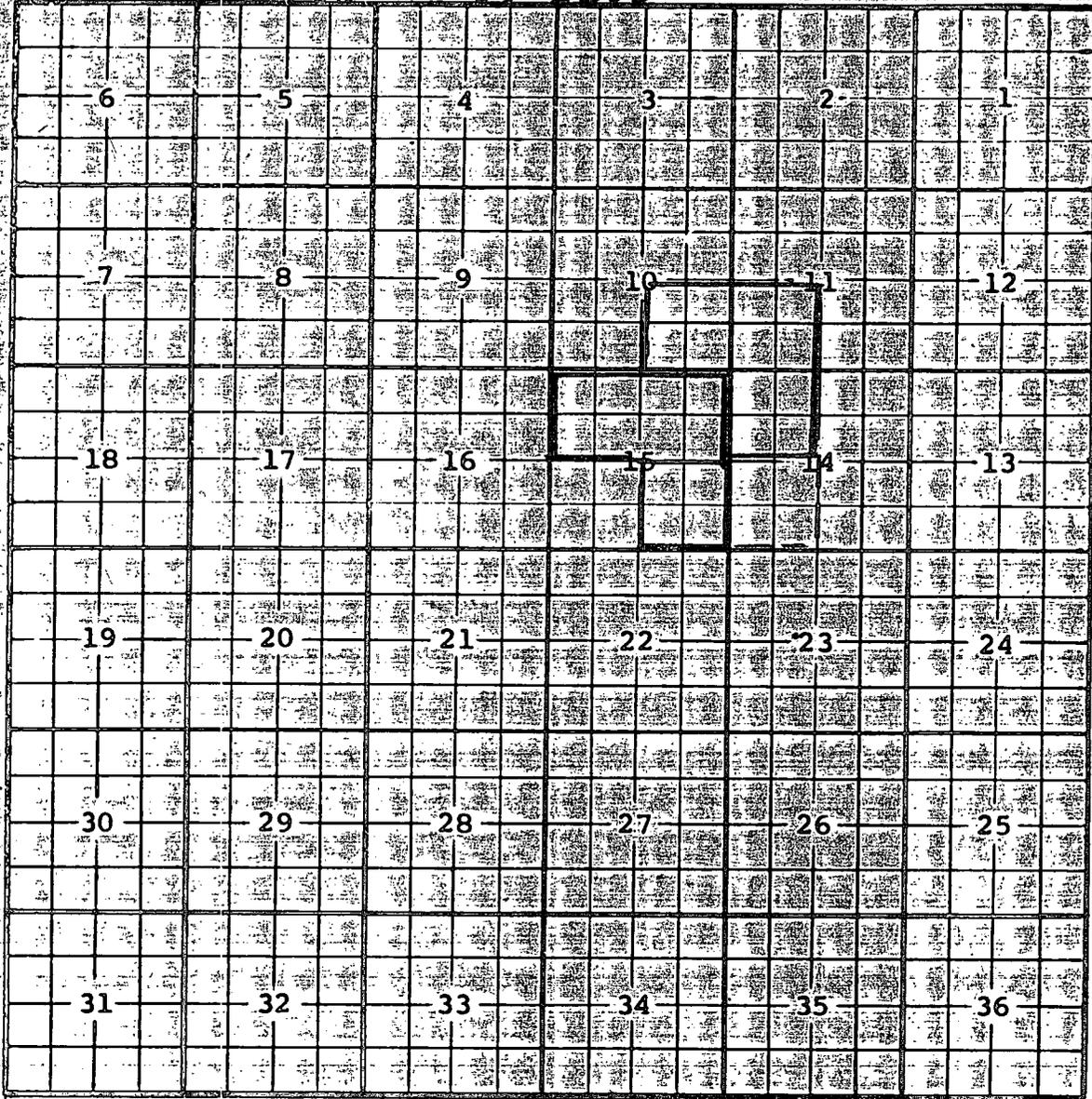
Description: NW/4 Sec 13 (R-4658, 11-16-73)
 Ext: NE/4 Sec 13 (R-4734, 3-1-74) Ext: SW/4 Sec 13 (R-4861, 11-1-74)
 Ext: NE/4 Sec. 14 (R-11533, 2-8-01)

COUNTY Lea

POOL North Shoe Bar - Pennsylvania

Strawn 8
CR-6876, 11-22-52

TOWNSHIP 16-South RANGE 35-East NMPM



Description: $\frac{SE}{4}$ Sec. 15, (R-1283, 12-1-58)
Ext: $\frac{N}{2}$ Sec. 15 (R-8356, 12-3-26) Ext: $\frac{SE}{4}$ Sec. 10, $\frac{SW}{4}$ Sec. 11, $\frac{NW}{4}$ Sec. 14 (R-11475, 10-24-00)
Survey by: [illegible] dated by: [illegible]

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/28/01 10:41:12
OGOMES -TPKC
PAGE NO: 1

Sec : 11 Twp : 16S Rng : 35E Section Type : NORMAL

D 40.00 Fee owned C A	C 40.00 Fee owned C	B 40.00 Fee owned	A 40.00 Fee owned
E 40.00 Fee owned C A	F 40.00 Fee owned C A	G 40.00 Fee owned A	H 40.00 Fee owned A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/28/01 10:41:17
OGOMES -TPKQ
PAGE NO: 2

Sec : 11 Twp : 16S Rng : 35E Section Type : NORMAL

<p>L 40.00 CPR VA0753 0000 YATES PETROLEUM C C 12/01/97 A</p>	<p>K 40.00 CPR VA0753 0000 YATES PETROLEUM C C 12/01/97</p>	<p>J 40.00 Fee owned A A</p>	<p>I 40.00 Fee owned</p>
<p>M 40.00 CPR VA0753 0000 YATES PETROLEUM C C 12/01/97 A</p>	<p>N 40.00 CPR VA0753 0000 YATES PETROLEUM C C 12/01/97</p>	<p>O 40.00 Fee owned</p>	<p>P 40.00 Fee owned A</p>

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : ONGARD 09/28/01 10:41:33
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPKC

API Well No : 30 25 34443 Eff Date : 04-01-1999 WC Status : A
Pool Idn : 56270 SHOE BAR;STRAWN, NORTH
OGRID Idn : 25575 YATES PETROLEUM CORPORATION
Prop Idn : 23257 RUNNELS ASP

Well No : 002
GL Elevation: 3997

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: J	11	16S	35E	FTG 1650 F S	FTG 2270 F E	A

Lot Identifier:

Dedicated Acre: 160.00

Lease Type : S

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 09/28/01 10:41:49
 OG6ACRE C102-DEDICATE ACREAGE OGOMES -TPKC

Page No : 1

API Well No : 30 25 34443 Eff Date : 07-28-1998
 Pool Idn : 56270 SHOE BAR;STRAWN, NORTH
 Prop Idn : 23257 RUNNELS ASP Well No : 002
 Spacing Unit : 51125 OCD Order : Simultaneous Dedication:
 Sect/Twp/Rng : Acreage : 160.00 Revised C102? (Y/N) :
 Dedicated Land:

S	Base	U/L	Sec	Twp	Rng	Acreage	L/W	Ownership	Lot	Idn
	I	11	16S	35E		40.00	N	FE		
	J	11	16S	35E		40.00	N	FE		
	O	11	16S	35E		40.00	N	FE		
	P	11	16S	35E		40.00	N	FE		

E0005: Enter data to modify or PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
 PF07 BKWD PF08 FWD PF09 PF10 LAND PF11 NXTSEC PF12 RECONF

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OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPKQ
Page No: 1

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 56270 SHOE BAR;STRAWN, NORTH
API Well No : 30 25 34443 Report Period - From : 01 2000 To : 07 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 34443	RUNNELS ASP	01 00 31	47315 16266	F
30 25 34443	RUNNELS ASP	02 00 29	53537 15728	F
30 25 34443	RUNNELS ASP	03 00 31	62910 17968	F
30 25 34443	RUNNELS ASP	04 00 30	68356 16797	F
30 25 34443	RUNNELS ASP	05 00 31	65757 14278	F
30 25 34443	RUNNELS ASP	06 00 30	64400 13572	F
30 25 34443	RUNNELS ASP	07 00 31	71258 13095	F

Reporting Period Total (Gas, Oil) :

M0025: Enter PF keys to scroll

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

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OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPKQ
Page No: 2

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 56270 SHOE BAR;STRAWN, NORTH
API Well No : 30 25 34443 Report Period - From : 01 2000 To : 07 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil	Well Water Stat
30 25 34443	RUNNELS ASP	08 00 31	71653 11597	F
30 25 34443	RUNNELS ASP	09 00 30	69121 9396	F
30 25 34443	RUNNELS ASP	10 00 31	59536 6881	15 F
30 25 34443	RUNNELS ASP	11 00 30	52499 5846	30 F
30 25 34443	RUNNELS ASP	12 00 31	50239 4848	18 F
30 25 34443	RUNNELS ASP	01 01 31	42877 3610	12 F
30 25 34443	RUNNELS ASP	02 01 28	31740 2807	42 F

Reporting Period Total (Gas, Oil) :

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PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

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OG6IPRD INQUIRE PRODUCTION BY POOL/WELL OGOMES -TPKC
Page No: 3

OGRID Identifier : 25575 YATES PETROLEUM CORPORATION
Pool Identifier : 56270 SHOE BAR;STRAWN, NORTH
API Well No : 30 25 34443 Report Period - From : 01 2000 To : 07 2001

API Well No	Property Name	Prod. Days MM/YY Prod	Production Volumes Gas Oil Water	Well Stat
30 25 34443	RUNNELS ASP	03 01 31	31817 2649	24 F
30 25 34443	RUNNELS ASP	04 01 30	43215 3350	54 F
30 25 34443	RUNNELS ASP	05 01 31	38373 2644	108 F
30 25 34443	RUNNELS ASP	06 01 30	35236 2258	75 F

Reporting Period Total (Gas, Oil) : 959839 163590 378

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PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 BKWD PF08 FWD PF09 PF10 NXTPOOL PF11 NXTOGD PF12

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5082
Order No. R-4658

APPLICATION OF MESA PETROLEUM
COMPANY FOR A DUAL COMPLETION,
CREATION OF A NEW OIL POOL,
ASSIGNMENT OF A DISCOVERY ALLOWABLE,
AND SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of November, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Mesa Petroleum Company is the owner and operator of the Hillburn Well No. 1, located in Unit E of Section 13, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That said well has discovered a new and separate common source of supply in the Strawn formation, and a new pool designated the North Shoe Bar-Strawn Pool should be created and defined by the Commission.

(4) That applicants well, said Hillburn Well No. 1, has made a bona fide discovery of a new common source of supply, and should be assigned an oil discovery allowable pursuant to the provisions of Rule 509 of the Commission Rules and Regulations.

(5) That the top of the perforations in the subject well is at 11,289 feet in the Strawn formation; and that 56,445 barrels of oil discovery allowable should be assigned to the subject well.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise

prevent waste and protect correlative rights, temporary special rules and regulations providing for 160-acre spacing units should be promulgated for the North Shoe Bar-Strawn Pool.

(7) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(8) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(9) That the vertical limits of the North Shoe Bar-Strawn Pool should be the Strawn formation as found from 11,275 feet to 11,360 feet on the log of the discovery well, the aforesaid Hillburn Well No. 1; that the horizontal limits of said pool should be the NW/4 of Section 13, Township 16 South, Range 35, East, NMPM, Lea County, New Mexico.

(10) That this case should be reopened at an examiner hearing in November, 1974, at which time the operators in the subject pool should be prepared to appear and show cause why the North Shoe Bar-Strawn Pool should not be developed on less than 160-acre spacing units.

(11) That applicant's request that the dual completion portion of its application be dismissed should be approved.

IT IS THEREFORE ORDERED:

(1) That the dual completion portion of the subject application is hereby dismissed.

(2) That a new pool for Strawn oil production be and the same is hereby created and designated the North Shoe Bar-Strawn with vertical limits defined as being the Strawn formation as found from 11,275 feet to 11,360 feet on the log of the discovery well, the Mesa Petroleum Company Hillburn Well No. 1, located in Unit E of Section 13, Township 16 South, Range 35 East, NMPM, Lea County, New Mexico, and with horizontal limits defined as being the NW/4 of said Section 13.

(3) That the aforesaid Hillborn Well No. 1 is hereby assigned an oil discovery allowable in the amount of 56,445 barrels, to be produced at a rate not to exceed 78 barrels per day.

(4) That effective November 10, 1973, Special Rules and Regulations for the North Shoe Bar-Strawn Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
NORTH SHOE BAR-STRAWN POOL

RULE 1. Each well completed or recompleted in the North Shoe Bar-Strawn Pool or in the Strawn formation within one mile thereof, and not nearer to or within the limits of another designated Strawn oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 160 acres, more or less, substantially in the form of a square, which is a quarter section being a legal subdivision of the United States Public Land Surveys.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit consisting of less than 160 acres or the unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. Each well shall be located within 150 feet of the center of a governmental quarter-quarter section or lot.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (158 through 162 acres) shall be assigned a depth bracket allowable of 605 barrels, subject to the market demand percentage factor, and in the event there is more than one well on a 160-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 160 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the North Shoe Bar-Strawn Pool or in the Strawn formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs district office of the Commission in writing of the name and location of the well on or before November 30, 1973.

(2) That, pursuant to Paragraph A. of Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, existing wells in the North Shoe Bar-Strawn Pool shall have dedicated thereto 160 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 65-3-14.5, existing wells may have non-standard spacing or proration units established by the Commission and dedicated thereto.

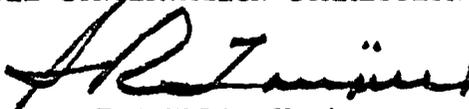
Failure to file new Forms C-102 with the Commission dedicating 160 acres to a well or to obtain a non-standard unit approved by the Commission within 60 days from the date of this order shall subject the well to cancellation of allowable.

(3) That this case shall be reopened at an examiner hearing in November, 1974, at which time the operators in the subject pool may appear and show cause why the North Shoe Bar-Strawn Pool should not be developed on less than 160-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


A. L. PORTER, JR., Member & Secretary

S E A L

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5130
Order No. R-4658-A

APPLICATION OF MESA PETROLEUM
COMPANY FOR AN AMENDMENT TO
THE TEMPORARY SPECIAL POOL
RULES, NORTH SHOE BAR-STRAWN
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of February, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Mesa Petroleum Company, seeks the amendment of the temporary special pool rules, North Shoe Bar-Strawn Pool, Lea County, New Mexico, to provide for a limiting gas-oil ratio of 4,000 cubic feet of gas per barrel of oil produced
- (3) That the applicant has completed two wells in the subject pool.
- (4) That neither well has been produced, except for testing, pending the completion of casinghead gas gathering facilities to serve the wells.
- (5) That the test information available indicates that wells completed in said pool will produce with gas-oil ratios in excess of 2000 to 1.
- (6) That the evidence currently available indicates that wells in said pool may be produced without waste under a limiting gas oil ratio of 4000 to 1.
- (7) That the applicant has made no determination of ultimate recovery of hydrocarbons from the subject pool to the economic limit at limiting gas-oil ratios of 2000 to 1 and 4000 to 1 or under conditions of gas reinjection or pressure maintenance.

(8) That such estimates of recovery should be made and presented at an examiner hearing in November, 1974, at which time the operators in the North Shoe Bar-Strawn Pool are to appear and show cause why said pool should not be developed and produced in accordance with statewide oil well spacing and production rules.

(9) That applicant's request for an amendment to the temporary special pool rules for the North Shoe Bar-Strawn Pool to provide for a limiting gas-oil ratio of 4000 to 1 should be approved.

IT IS THEREFORE ORDERED:

(1) That the Order R-4658 is hereby amended by the addition of Rule No. 7 to the special pool rules of the North Shoe Bar-Strawn Pool as set out below:

SPECIAL RULES AND REGULATIONS
FOR THE
NORTH SHOE BAR-STRAWN POOL

RULE 7. A limiting gas-oil ratio of 4000 cubic feet of gas per barrel of oil produced is hereby established for the pool.

IT IS FURTHER ORDERED:

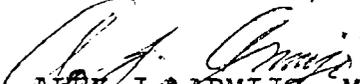
(1) The applicant shall prepare estimates of recovery from the North Shoe Bar-Strawn Pool under the gas-oil ratios and conditions set out in Finding (7) of this order for presentation at the examiner hearing to be held in November, 1974, as required by Commission Order No. R-4658.

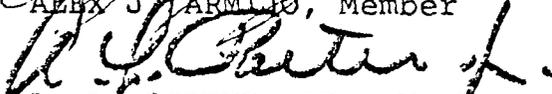
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


AEBX J. ARMIJO, Member


A. L. PORTER, JR., Member & Secretary

S E A L

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5082 (Reopened)
Order No. R-4658-B

IN THE MATTER OF CASE NO. 5082 BEING
REOPENED PURSUANT TO THE PROVISIONS OF
ORDER NO. R-4658, WHICH ORDER ESTABLISHED
TEMPORARY SPECIAL RULES FOR THE NORTH SHOE
BAR-STRAWN POOL, LEA COUNTY, NEW MEXICO,
INCLUDING A PROVISION FOR 160-ACRE SPACING
AND PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 26, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That by Order No. R-4658, dated November 16, 1973, temporary special rules and regulations were promulgated for the North Shoe Bar-Strawn Pool, Lea County, New Mexico, establishing temporary 160-acre spacing and proration units.
- (3) That pursuant to the provisions of Orders Nos. R-4658 and R-4658-A this case was reopened to allow the operators in the subject pool to appear and show cause why the North Shoe Bar-Strawn Pool should not be developed on less than 160-acre spacing units and why the gas-oil ratio limitation should not be 2000 cubic feet of gas per barrel of oil produced.
- (4) That the evidence establishes that one well in the North Shoe Bar-Strawn Pool can efficiently and economically drain and develop 160 acres.
- (5) That the evidence establishes that the reservoir is being efficiently produced with a gas-oil ratio of 4000 cubic feet of gas per barrel.

(6) That the Special Rules and Regulations promulgated by Order No. R-4658, as amended by Order No. R-4658-A, have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

(7) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-4658, as amended, should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the North Shoe Bar-Strawn Pool, Lea County, New Mexico, promulgated by Order No. R-4658, as amended by Order No. R-4658-A, are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

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