

DATE IN 12-17-09	SUSPENSE	ENGINEER Jones	LOGGED IN 12/17	TYPE PAC 423	PTGW APP NO. 0935153971
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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



Yates

Willie BNV Com #1

**ADMINISTRATIVE APPLICATION CHECKLIST** 30-025-36525

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  
 X 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 X 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

*Sam Brandon*  
 Signature

Area Engineer

12/11/09

Print or Type Name

Title

Date

sbrandon@yatespetroleum.com  
 e-mail Address

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986

S.P. YATES  
1914-2008

RECEIVED



2009 DEC 17 AM 9 00

105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471

JOHN A. YATES  
CHAIRMAN OF THE BOARD  
PRESIDENT

JOHN A. YATES JR.  
ASSISTANT TO THE PRESIDENT

JAMES S. BROWN  
CHIEF OPERATING OFFICER

JOHN D. PERINI  
CHIEF FINANCIAL OFFICER

December 15, 2009

Will Jones  
State of New Mexico  
OIL CONSERVATION DIVISION  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

Re: Willie BNV State Com #1

Dear Mr. Jones:

Enclosed please find a copy of form C-107A (Application for Downhole Commingling) on Yates Petroleum Corporation Willie BNV State Com #1, Section 31-11S-35E, Lea County, New Mexico.

If you have any questions or need additional information, please call me at (575) 748-4361

Sincerely,

Debbie Chavez  
Engineering Technician

Enclosure(s)

Yates Petroleum Corporation

105 South Forth Street, Artesia, NM 88210

Operator

Address

Willie BNV State Com

1 Unit K – Section 31 -11S-35E

Lease

Well No.

Unit Letter-Section-Township-Range

Lea

County

OGRID No. 025575 Property Code 057910 API No. 30-025-36525 Lease Type: Federal ☐ State ☒ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
	<i>UNDES</i>		<input checked="" type="checkbox"/>
Pool Name	Ranger Lake; Atoka, North (Gas)		Four Lakes, Morrow (Gas)
Pool Code	97349		97082
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11,997-12,104'		12,315-12,375'
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure <small>(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)</small>			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1,198 BTU		1,143 BTU
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: New Zone  Rates:		Date: 12/7/09 0 BO Rates: 0 BW 15 MCF
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil Gas Allocation % will be submitted when completed		Oil Gas Allocation % will be submitted when completed

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?  
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?  
  
Are all produced fluids from all commingled zones compatible with each other?  
  
Will commingling decrease the value of production?  
  
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?  
  
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.

Yes \_\_\_\_\_ No ☒

Yes ☒ No \_\_\_\_\_

Yes ☒ No \_\_\_\_\_

Yes \_\_\_\_\_ No ☒

Yes \_\_\_\_\_ No \_\_\_\_\_

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 12/11/09

TYPE OR PRINT NAME Sam Brandon TELEPHONE NO. (575) 748-4281

E-MAIL ADDRESS sbrandon@ypcnm.com

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
**District II**  
1301 W. Grand Avenue, 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  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-1C  
Revised June 10, 2006  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-36525</b>		<sup>2</sup> Pool Code <b>97082</b>		<sup>3</sup> Pool Name <b>Four Lakes, Morrow (Gas)</b>	
<sup>4</sup> Property Code <b>28461</b>		<sup>5</sup> Property Name <b>Willie BNV State Com</b>			<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>025575</b>		<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>			<sup>9</sup> Elevation <b>4,143'</b>

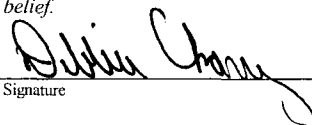
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>K</b>	<b>31</b>	<b>11S</b>	<b>35E</b>		<b>1,980'</b>	<b>South</b>	<b>1,980'</b>	<b>West</b>	<b>Lea</b>

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>320</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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

	<sup>17</sup> 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			
	Debbie Chavez Printed Name			
	Engineering Technician			
	Title and E-mail Address December 11, 2009			
	Date			
	<sup>18</sup> SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Refer to Original Plat			
	Date of Survey			
	Signature and Seal of Professional Surveyor:			
	Certificate Number			

District I  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-10  
Revised June 10, 2006  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-36525</b>	<sup>2</sup> Pool Code <b>97349</b>	<sup>3</sup> Pool Name <b>Ranger Lake; Atoka, North (Gas)</b>
<sup>4</sup> Property Code <b>28461</b>	<sup>5</sup> Property Name <b>Willie BNV State Com</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>4,143'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>K</b>	Section <b>31</b>	Township <b>11S</b>	Range <b>35E</b>	Lot Idn	Feet from the <b>1,980'</b>	North/South line <b>South</b>	Feet from the <b>1,980'</b>	East/West line <b>West</b>	County <b>Lea</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

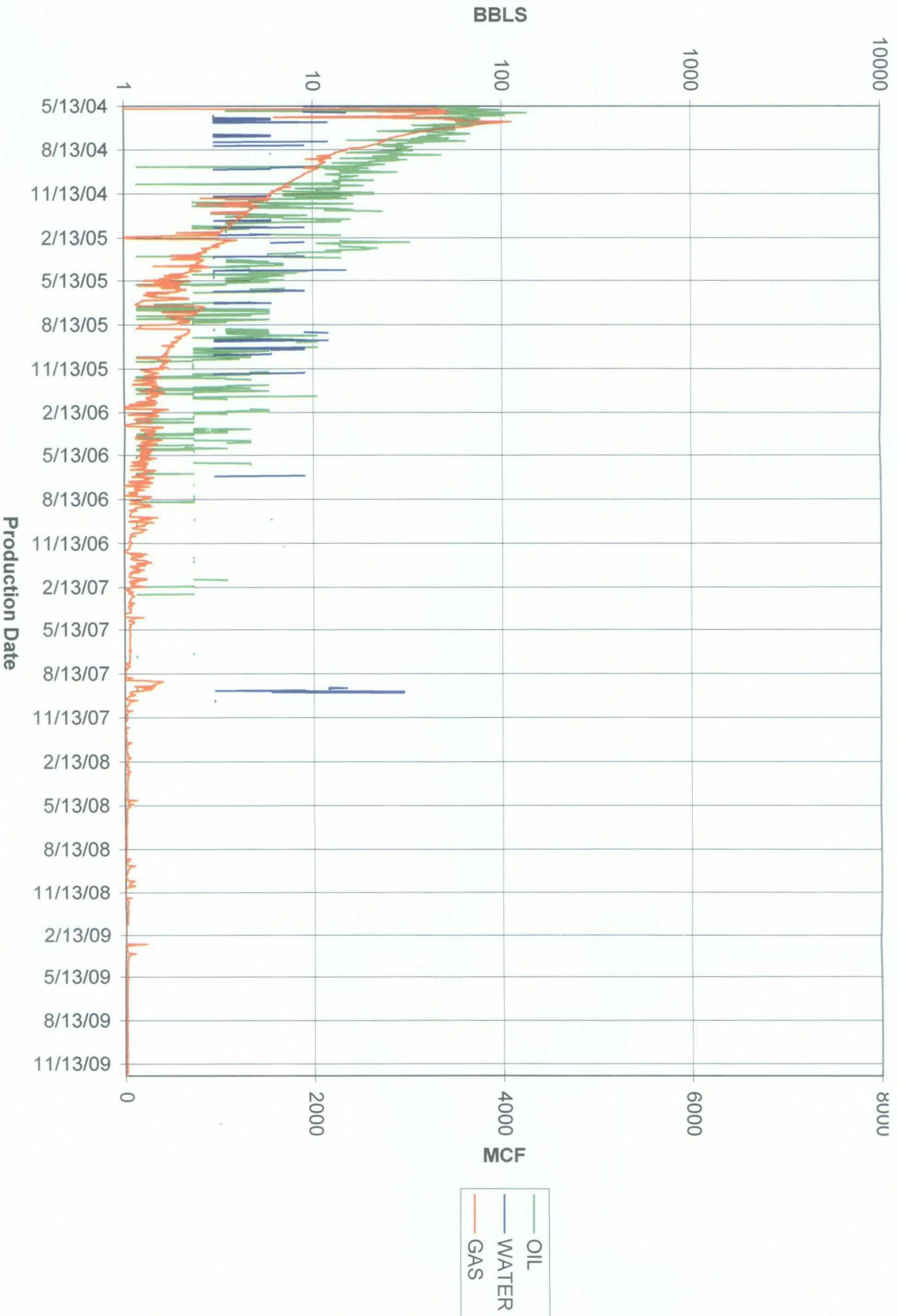
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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

				<sup>17</sup> 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	
				Debbie Chavez Printed Name Engineering Technician Title and E-mail Address December 11, 2009 Date	
				<sup>18</sup> SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Refer to Original Plat Date of Survey Signature and Seal of Professional Surveyor:	
				Certificate Number	

WILLIE BNV STATE COM #1 (057910-001)

Cum Daily Prod:  
Oil = 8,865  
Gas = 825,929  
Water = 1,062



There are no working, royalty and overriding royalty interests in this well other than Yates Petroleum Corporation

The Atoka is a new zone and production curves are not available.



We need to complete both zones to make an economic well.

**Jones, William V., EMNRD**

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**From:** Jones, William V., EMNRD  
**Sent:** Tuesday, December 22, 2009 4:38 PM  
**To:** 'Sam Brandon'  
**Cc:** Warnell, Terry G, EMNRD  
**Subject:** DHC application from Yates Petroleum Corporation: Willie BNV State Com #1 30-025-36525

Hello Sam:

The C-107A had the "ownership diverse" = yes checked

....but the write-up said ownership is identical. Would you ask your landman and get back to me which is correct?

Happy Holidays!

William V. Jones PE  
New Mexico Oil Conservation Division  
1220 South St. Francis  
Santa Fe, NM 87505  
505-476-3448