

MARTIN YATES, III

1912 - 1986

FRANK W. YATES

1936 - 1986



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

May 10, 1999

MAY 12

S. P. YATES  
CHAIRMAN OF THE BOARD

JOHN A. YATES

PRESIDENT

PEYTON YATES

EXECUTIVE VICE PRESIDENT

RANDY G. PATTERSON

SECRETARY

DENNIS G. KINSEY

TREASURER

Oil Conservation Division  
Attn: Lori Wrotenbery  
P.O. Box 6429  
Santa Fe, NM 87505-6429

Re: Surface Commingling, Lease Commingling,  
Pool Commingling, Off-Lease Storage and  
Measurement. Dagger Draw Upper Penn, North and  
Cemetery Wolfcamp, Eddy County, New Mexico

Dear Ms. Wrotenbery,

Yates Petroleum Corporation respectfully requests administrative approval for surface commingling, lease commingling, off-lease storage and measurement for the following wells:

Roden GD Federal Com #1  
1980' FSL & 660' FEL  
Unit I, NESE  
Sec. 23-T19S-R24E  
Eddy County, NM

Roden GD Federal Com #3  
1980' FNL & 1980' FWL  
Unit F, SENW  
Sec. 24-T19S-R24E  
Eddy County, NM

Roden GD Federal Com #5  
810' FSL & 1980' FWL  
Unit N, SESW  
Sec. 24-T19S-R24E  
Eddy County, NM

The production from these wells is transported prior to measurement to a common tank battery, located at the Roden GD Federal Com #3, 1980' FNL & 1980' FWL, Unit F, Sec. 24-T19S-R24E, Eddy County, NM.

The purpose of the surface commingling, lease commingling, off lease storage and measurement is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the wells.

Because working and royalty interests for the wells are different, oil from each of the wells will be measured by turban equipment prior to surface commingling. Gas from the wells will also be metered separately. This metering will ensure that all production from each of the wells is equitably accounted for with no significant effect on your revenue. The production is from the following formations Dagger Draw Upper Penn, North, Hoag Tank Morrow and Hoag Tank Strawn.

✓ (04-15472)

(GAS - 7830)

(GAS - 7830)

The following is enclosed:

A map showing the location of the wells.

A diagram of the proposed measurement equipment, separators and storage tanks in accordance with the "Manual of Installation and Operation of Commingling Facilities".

Notification of working interest, royalty interest and overriding royalty interest owners.

Notification to the Bureau of Land Management.

If you should have any questions or need further information, please give me a call at (505) 748-4201 (direct line).

Thank you for your cooperation.

Sincerely,

*Pamela S. Harris*

Pamela S. Harris  
Production Clerk

PE  
Attachments

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT-" for such proposals

*SUBMIT IN TRIPLICATE*

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

**YATES PETROLEUM CORPORATION**

3. Address and Telephone No.

105 S. 4th Street, Artesia, NM 88210 (505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1980' FNL & 1980' FWL Section 24-T19S-R24E (Unit F, SENW)

5. Lease Designation and Serial No.

NM-26864

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Roden GD Federal Com #3

9. API Well No.

30-015-26096

10. Field and Pool, or Exploratory Area

Hoag Tank Morrow

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Surface Commingling & Storage

☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

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

13. 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 direction drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Yates Petroleum Corporation respectfully request approval for surface commingling and off lease storage and measurement.

Please see attached application.

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

Signed Patricia S. Harris

Title Production Secretary

Date 05/10/99

(This space for Federal or State office use)

Approved by \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Conditions of approval, if any:

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.

\*See Instruction on Reverse Side

**APPLICATION FOR SURFACE COMMINGLING**  
**OFF LEASE STORAGE AND MEASUREMENT APPROVAL**  
**This Format Should Be Attached To A Sundry Notice**

To: Bureau of Land Management  
620 East Greene Street  
Carlsbad, NM 88221-1778

Yates Petroleum Corporation (Operator's Name) is requesting approval for surface commingling and off lease storage and measurement of hydrocarbon production from the following formation(s) and well(s) on Federal Lease No. NM-26864; Lease Name: Roden GD Federal Com. .

<u>Well</u> <u>No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
<u>1</u>	<u>L</u>	<u>24</u>	<u>19S</u>	<u>24E</u>	<u>Hoag Tank Morrow &amp;</u> <u>Hoag Tank Strawn</u>
<u>3</u>	<u>F</u>	<u>24</u>	<u>19S</u>	<u>24E</u>	<u>Hoag Tank Morrow</u>
<u>5</u>	<u>N</u>	<u>24</u>	<u>19S</u>	<u>24E</u>	<u>Dagger Draw Upper Penn. North</u>

Production from the well(s) involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
<u>Roden GD Fed. Com #1</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Roden GD Fed. Com #3</u>	<u>2.28</u>	<u>NA</u>	<u>97.47</u>
<u>Roden GD Fed. Com #5</u>	<u>2.28</u>	<u>NA</u>	<u>2</u>

The proposed operation is described in detail on the attached diagrams.

A map is enclosed showing the location of all the wells that will contribute production to the proposed commingling/common storage facility.

A schematic diagram is also attached which clearly identifies all equipment that will be utilized.

The storage and measuring facility is located at SE1/4, Sec. 24, T19S, R24E, Federal lease: Roden GD Federal Com #3, Eddy Co. NM. BLM will be notified if there is any future change in the facility location.

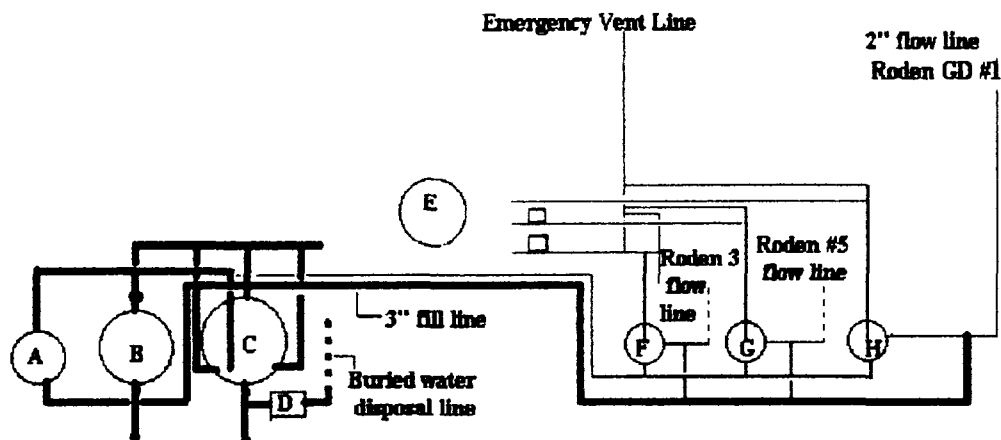
Details of the proposed method of allocating production to contributing sources is as follows:

Oil will be transported off lease prior to measurement and will be measured by turban metering equipment. Gas will also be measured separately. Total sales volume will be allocated back to individual wells based on daily well test.

The working interest owners have been notified of the proposal.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The purpose of the surface commingling, lease commingling, off lease storage and measurement is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to build separate facilities for each well. This will greatly increase costs and shorten the economic life of the wells.



- A.—6X20 Fiberglass Gunbarrel  
 B.—210 Bbl. metal stock tank (OIL)  
 C.—500 Bbl. fiberglass water tank  
 D.—Water disposal pump  
 E.—210 Bbl. fiberglass BS&W tank  
 F.—Roden GD #3 two phase gas separator  
 G.—Roden GD #5 two phase gas separator  
 H.—Roden GD #1 two phase gas separator  
 □ — Gas meters (gas sales)  
 • —4" valves sealed closed (opened for sales or emergency)  
 • —3" valves  
 • —3" valve sealed (opened for draining bs&w or emergency)

RODEN GD FEDERAL COM #3 BATTERY  
 1930' FNL - 1930' FWL  
 SEC. 24-19 S-24 E  
 EDDY CO. NM LEASE # NM-26864

The proposed commingling is necessary for economic operation of the above referenced leases.

We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

Signature: Pamela S. Harris

Name: Pamela S. Harris

Title: Production Clerk

Date: 5-10-99

T19S-R24E

ALLISON CO FD  
6

ROUTH HU  
1

ALLISON CO FD  
10

13

ALLISON CO FD  
8

WOLLY CO  
2

WOLLY CO  
1

ALLISON CO FD  
11

FD. 1

Lease : NM-26864

Measurement & Storage  
Facility



DO 25 FD  
4

KATHLEEN CO FD  
1

EE FED 24  
2

ROOSEN CO FD  
3



24

ROOSEN CO FD  
1

DO 24 FD  
5

DO FD  
2

ROOSEN CO FD  
3

DO FD "24"  
3

DO FD  
1

BARBARA FEDARB FD  
5

BARB  
9

BARB FD  
1

18

BARB FD  
2

BARB FD  
6

BARB FD  
11

LEHMAN FD  
1

BARB FD  
12

BARB PETERSON FD  
8

LOOCHICK A  
3

LOOCHICK A  
1

ROSS EG FD  
2

ROSS "EG" FD C  
5

LOOCHICK A  
2

PARISH IV  
4

ROSS "EG" FEDERAL C  
12

DAG DRAW  
4

PARISH IV  
1

ROSS "EG" FD  
9

DAG DRAW  
10

DAGGER DRAW  
14

CHAMIZA AUC  
1

PARISH IV  
5

Working Interest Owners, Royalty Interest Owners, Overriding Royalty Interest

R. E. Chambers Jr.  
2413 Clayton  
Wichita Falls, TX 76308

Lollie Dee King Chambers  
2413 Clayton  
Wichita Falls, TX 76308

W.T. & Jeanette J. Probandt  
415 W. Wall  
Suite 2206  
Midland, TX 79701

Bakersfield Investment Trust  
Wade C. Morris, Trustee  
P.O. Box 9604  
Bakersfield, CA 93309

John C. & Virginia M. Boggs  
P.O. Box 646  
Fishers Island, NY 06390

CES Oil Operations, Inc.  
P.O. Box 2917  
Inverness, FL 34451-2917

Esther Fell Ellis  
227 Beechwood Rd.  
New Wilmington, PA 16142

Virginia Fell McComb Living Trust  
Mary Lee Dunston, Trustee  
112 N. 12th Street  
Leesburg, FL 34748

George E. & Gloria J. Eng  
2004 Harvard  
Midland, TX 79701

John W. & Jean M. Gates, Trust  
Margaret Jean Gates, Trustee  
706 W. Grand  
Artesia, NM 88210

R.R. Hinkle Company, Inc.  
P.O. Box 59  
Roswell, NM 88202-0059

William J. & Elizabeth W. Jones Trust  
Wells Fargo Bank, Trustee  
P.O. Box 5825  
Denver, CO 80217

James H. McGivney  
234 Abbey Road  
Manhasset, NY 11030

John C. McGivney  
14 Stratford Court  
Staten Island, NY 10314

Jack W. McCaw  
P.O. Box 127  
Artesia, NM 88211-0127

McQuiddy Comm. & Energy, Inc.  
P.O. Box 2072  
Roswell, NM 88201

Hettie Jewel Page  
6110 Wildwood Street  
Farmington, NM 87402

Nancy Joy Parsons  
119 Northwood MHP  
Lewisville, TX 75057



Z 378 961 606

US Postal Service

**Receipt for Certified Mail**

No Insurance Coverage Provided.

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R.E. Chambers Jr.

2413 Clayton

Wichita Falls, TX 76308

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Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
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Lollie Dee King Chambers

2413 Clayton

Wichita Falls, TX 76308

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W.T. & Jeanette J. Probandt

415 W. Wall

Suite 2206

Midland, TX 79701

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Bakersfield Investment Trust

Wade C. Morris, Trustee

P.O. Box 9604

Bakersfield, CA 93309

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Postmark or Date <i>Rodney G. Morris</i> <i>Mailed 3-31-99</i>	

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John C. & Virginia M. Boggs

P.O. Box 646

Fishers Island, NY 06390

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Virginia Fell McComb Living Trust  
Mary Lee Dunston, Trustee  
112 N. 12th Street  
Leesburg, FL 34748

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George E. & Gloria J. Eng

2004 Harvard

Midland, TX 79701

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TOTAL Postage & Fees	\$
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Margaret Jean Gates, Trustee  
706 W. Grand  
Artesia, NM 88210

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R.R. Hinkle Company, Inc.

P.O. Box 59

Roswell, NM 88202-0059

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<b>TOTAL Postage &amp; Fees</b>	<b>\$</b>
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Wells Fargo Bank, Trustee  
P.O. Box 5825  
Denver, CO 80217

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James H. McGivney

234 Abbey Road

Manhasset, NY 11030

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John C. McGivney

14 Stratford Court

Staten Island, NY 10314

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Jack W. McCaw

P.O. Box 127

Artesia, NM 88211-0127

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McQuiddy Comm. & Energy, Inc.

P.O. Box 2072

Roswell, NM 88201

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Hettie Jewel Page

6110 Wildwood Street

Farmington, NM 87402

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Nancy Joy Parsons

119 Northwood MHP

Lewisville, TX 75057

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Restricted Delivery Fee	
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TOTAL Postage & Fees	\$
Postmark or Date <i>Roden 60 Mailed</i> <i>Com 3-31-99</i>	