

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



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

S. P. YATES  
CHAIRMAN OF THE BOARD  
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DENNIS G. KINSEY  
TREASURER

January 14, 1994

New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

ATTENTION: Mr. William LeMay  
Director

RE: Surface Commingling, Lease Commingling  
and Off-Lease Storage  
South Dagger Draw Upper Penn Pool  
Eddy County, New Mexico

Dear Mr. LeMay:

Yates Petroleum Corporation respectfully requests administrative approval to commingle production from several wells into a common tank battery and to permit production from each well to be transported prior to measurement to another well for storage thereon. It is proposed to add the following wells to existing Order Number PLC 83:

Sara AHA Com #3  
660' FNL and 660' FEL  
Section 11-T20S-R24E  
Eddy County, NM  
NM NM 84622 (A)

Sara AHA Com #4  
660' FSL and 1980' FEL  
Section 11-T20S-R24E  
Eddy County, NM  
NM NM 82527 (A)

Sara AHA Com #5  
660' FNL and 980' FWL  
Section 11-T20S-R24E  
Eddy County, NM  
NM NM 82527 (A)

Sara AHA Com #6  
660' FSL and 660' FEL  
Section 11-T20S-R24E  
Eddy County, New Mexico  
NM NM 82527 (A)

Saguaro AGS Federal Com #13  
660' FNL and 1980' FEL  
Section 11-T20S-R24E  
Eddy County, New Mexico  
NM NM 84622 (A)

Conoco AGK Federal #10  
1887' FSL and 1788' FEL  
Section 11-T20S-R24E  
Eddy County, New Mexico  
NM NM 82527 (A)

Sara AHA #8  
1980' FNL and 660' FEL  
Section 11-T20S-R24E  
Eddy County, New Mexico  
NM NM 84622 (A)

The production from the well will be commingled into a common storage facility located on the Sara AHA Com #1 location. A map labeled Attachment I is enclosed for your information.

The purpose of this off-lease storage and surface commingling is to reduce operating costs for storage and treating and thereby extend 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 well.

Off-Lease Storage, Etc.:  
Page 2  
January 14, 1994

Because working interests for the proposed wells are different from the well where the proposed storage facilities are located, oil from each of the wells will be measured by positive displacement, temperature compensated metering 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 in the wells will be from the same producing zone which is the Canyon.

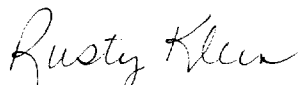
In accordance with the Oil Conservation Division's Rules 303-B, 309-B and 309-C, the following diagrams and maps are submitted for your information.

Attachment II	A diagram of the proposed measurement equipment, separators and storage tanks in accordance with the "Manual for Installation and Operation of Commingling Facilities".
Attachment III	Notification of working interest owners of the proposal to commingle production.
Attachment IV	Notification to the Bureau of Land Management.

Yates Petroleum Corporation appreciates your cooperation in this matter. If you should have any questions or need further information, please give me a call at 505-748-1471.

Thank you.

Sincerely,



Rusty Klein  
Production Clerk

RK/pbs

Attachments

ATTACHMENT I

CHOLLA

CATCLAW

CATCLAW "AGM" STATE FOSTER AN

FOSTER A N

FOSTER "AN"

FOSTER A N

COVERT

COOPER AHH

CATCLAW AGM ST

CATCLAW "AGM" ST HUISACHE AHI ST

COOPER AHH

MOBIL

MOBIL

COVERT

CHOLLA AGE FD

CACTI AGE ST

HUISACHE AHI

FOSTER FF

FOSTER FF

FOSTER FF

CATCLAW

CANDELILLA "AKD" ST

CANDELILLA "AKD" STINIZA AGZ

FOXTAIL "AJX" FD

OCOTILLO AGI FD

CONOCO

CONOCO AGK FD

SAGUARO "AGS" FEDER

SARA "AHA"

HILLVIEW AHE FD

CONOCO "AGK" FEDERA

CONOCO "AGK" FD

SAGUARO AGS FD

SARA "AHA" COM

HILLVIEW AHE FD

SAGUARO AGS FD

SAGUARO "AGS" FD

CONOCO "AGK" FEDERA

SARA "AHA"

CENIZA AGZ

OCOTILLO

SARA "AHA"

SARA "AHA"

SARA "AHA"

SARA "AHA" COM

CENIZA AGZ

BUCHANAN GAS

MOBIL FD

SARA AHA

JOHN "AGU"

JOHN "AGU"

JOHN "AGU"

JOHN AGU

CENIZA AGZ

SAGUARO "AGS" FEDER SENITA AIP FD

SAGUARO AGS FD HILL VIEW "AHE" FED

HILL VIEW "AHE" FEDER SENITA "AIP" FEDERA

SAGUARO "AGS" FD

HILLVIEW AHE

HILLVIEW AHE FD

NIX IT

CARL TP

SAGUARO AGS FD

SAGUARO AGS

HILLVIEW AHE

HILLVIEW AHE

MAYER "24"

MAYER

SAGUARO AGS FD

SAGUARO AGS FD

HILLVIEW AHE FD

HILLVIEW AHE

MAYER "24"

CARL YB

HILLVIEW AHE FD HILLVIEW AHE

HILLVIEW AHE FD HILLVIEW "AHE" FD

PALO VERDE "AJV" FD

HILLVIEW AHE FD

HILLVIEW AHE

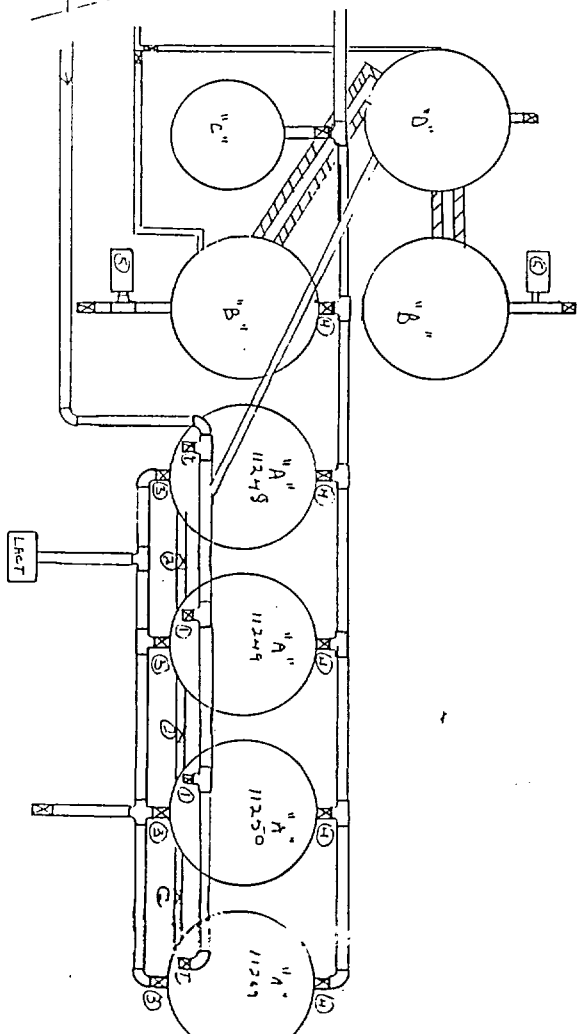
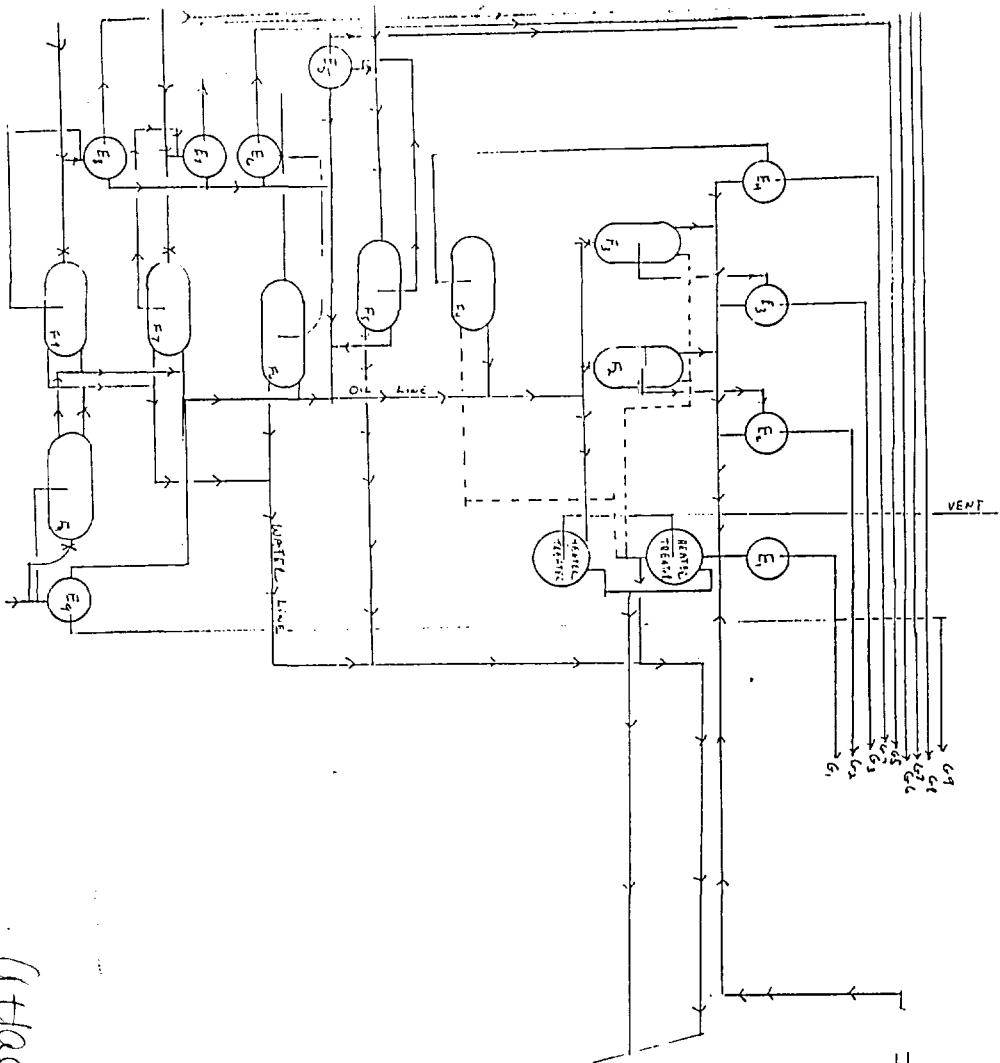
HILLVIEW "AHE" FEDE

PRICKLY PEAR AIE FD

PALO VERDE "AJV" FE

HUMBLE HOBBS FD

MOORE FD



Attachment II

SARA "AHA" TANK BATTERY  
 LEASE NO. \_\_\_\_\_  
 LEGAL DESCRIP SEC 11 T 205 R 24E  
 County: Eddy N.M.  
 YATES Petro Corp

A) 500 BBL OIL STORAGE

## Attachment II

B) 500 BBL WATER STORAGE

C) 210 BBL BS&W STORAGE

D) 750 BBL GUN BARREL

E<sub>1</sub>) SARA #1

SEPERATOR

G1) SARA #1

METER

RUN

E<sub>2</sub>) SARA #4

SEPERATOR

G2) SARA #4

METER

RUN

E<sub>3</sub>) SAGUARO AGS #6

SEPERATOR

G3) SAGUARO #6

METER

RUN

E<sub>4</sub>) SARA #3

SEPERATOR

G4) SARA #3

METER

RUN

E<sub>5</sub>) CONOCO AG-K #10

SEPERATOR

G5) SARA #5

METER

RUN

E<sub>6</sub>) SARA #5

SEPERATOR

G6) SARA #6

METER

RUN

E<sub>7</sub>) SARA #6

SEPERATOR

G7) SAGUARO 13

METER

RUN

E<sub>8</sub>) SAGUARO #13

SEPERATOR

G8) CONOCO AG-K #10

METER

RUN

E<sub>9</sub>) SARA #8

SEPERATOR

G9) SARA #8

METER

RUN

F<sub>2</sub>) SARA #4

WATER KNOCKOUT

F<sub>3</sub>) SAGUARO #6

WATER KNOCKOUT

F<sub>4</sub>) SARA #3

WATER KNOCKOUT

F<sub>5</sub>) CONOCO #10

WATER KNOCKOUT

F<sub>6</sub>) SARA #5

WATER KNOCKOUT

F<sub>7</sub>) SARA #6

WATER KNOCKOUT

F<sub>8</sub>) SAGUARO #13

WATER KNOCKOUT

F<sub>9</sub>) SARA #8

WATER KNOCKOUT

① OIL FILL LINES SEALED CLOSED DURING SALES

② OIL EQUALIZER SEALED CLOSED DURING SALES

③ OIL SALES SEALED CLOSED EXCEPT DURING SALES

④ EMERGENCY DRAIN LINES SEALED CLOSED

⑤ WATER TO AN APPROVED DISPOSAL SYSTEM

ATTACHMENT III

**INTEREST OWNERS**  
**Sara AHA Com #1 Battery**

Betty H. Adkins  
7107 S. Hudson Circle  
Littleton, CO 80122

Margaret H. Baslim  
1261 S. Tropez Circle  
Orlando, FL 32806

Fina Oil & Chemical Company  
P. O. Box 951339  
Dallas, TX 75395-1339

Sara C. Garretson  
4221 Donnington Drive  
Plano, TX 75093

Barbara E. Hannifin  
P. O. Drawer 2588  
Roswell, NM 88202-2588

Daniel S. Hannifin  
P. O. Box 218  
Midland, TX 79702

Mary B. Hannifin  
293 South Ashland Ave.  
Lexington, KY 40502

Steven P. Hannifin  
Training Air Wing Four  
Naval Air Station  
Corpus Christi, TX 78419-5102

Mark A. Hannifin  
P. O. Box 218  
Midland, TX 79702

Matt B. Hannifin  
P. O. Box 218  
Midland, TX 79702

Kathryn McCormick  
2905 San Pablo, N.E.  
Albuquerque, NM 87110

McCaw & Nix A. Partnership  
P. O. Box 440  
Artesia, NM 88210

Myco Industries, Inc.  
P. O. Box 840  
Artesia, NM 88211-0840

Ralph Nix, Jr.  
P. O. Box 440  
Artesia, NM 88211-0440

Santa Fe Energy Operating  
550 West Texas  
Suite 1330  
Midland, TX 79701

Margaret Morris Wheeler  
P. O. Box 101535  
Fort Worth, TX 76185-1535

Wills Royalty, Inc.  
P. O. Box 1658  
Carlsbad, NM 88220

Margaret E.H. Wygocki  
721 Robins Road  
Lansing, MI 48917

Lillie M. Yates Estate  
P. O. Box 840  
Artesia, NM 88211-0840

Martin Yates, III Estate  
P. O. Box 840  
Artesia, NM 88211-0840

Minerals Management Service  
P. O. Drawer 1857  
Roswell, NM 88201



P 083 924 822



**Receipt for  
Certified Mail**

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

To: <i>Betty H. Adkins</i>	
Street and No. <i>107 S. Hudson Circle</i>	
P. O., State and ZIP Code <i>Littleton, Co 80122</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1991

Fold at line over top of envelope to the right of the return address

**CERTIFIED**

P 083 924 822

**MAIL**

P 083 924 823



**Receipt for  
Certified Mail**

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

Sent to <i>Margaret H. Basler</i>	
Street and No. <i>261 S. Popple Creek</i>	
P.O. State and ZIP Code <i>Orlando, FL 32806</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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right of the return address

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**MAIL**



P 083 924 824



**Receipt for  
Certified Mail**

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

Sent to <i>Fina Oil Chemical Co</i>	
Street and No. <i>PO Box 957339</i>	
P.O. State and ZIP Code <i>Atlanta, GA 30305-1339</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1991

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right of the return address

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P 083 924 824

**MAIL**

P 083 924 825



# Receipt for Certified Mail

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

Sent to	Jana C. Barnett
Street and No.	4221 Birmingham Dr
P.O. Box and ZIP Code	Plains, TX 75093
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	LEON 12 1991

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P 083 924 825

**MAIL**

P 083 924 826



**Receipt for  
Certified Mail**

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

Sent to <i>Barbara E. Harnifin</i>	
Street and No. <i>PO Drawer 2588</i>	
(P.O.) State and ZIP Code <i>Roswell, NM 88202-2588</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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**CERTIFIED**

P 083 924 826

**MAIL**

P 083 924 827



**Receipt for  
Certified Mail**

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

Sent to <i>Samuel S. Hannafin</i>	
Street and No. <i>PO Box 218</i>	
City, State and ZIP Code <i>Midland TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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right of the return address

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P 083 924 827

**MAIL**

P 083 924 828



**Receipt for  
Certified Mail**

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

Sent to <i>Mary B Hannigan</i>	
Street and No. <i>293 Washburn Ave</i>	
P.O., State and ZIP Code <i>Lexington, Ky 40502</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

PS Form 3800, June 1991

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P 083 924 828

**MAIL**

P 083 924 829



**Receipt for  
Certified Mail**

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

Sent to <i>Stephen P Hannigan</i>	
Street and No. <i>Palmer Dr King Town</i>	
City, State and ZIP Code <i>Naval Air Station</i>	
Postage <i>Corporate Christy # 13419-502</i>	
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$ -
Postmark or Date	

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P 083 924 829

**MAIL**

P 083 924 830



**Receipt for  
Certified Mail**

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

Sent to <i>Mark A. Harrison</i>	
Street and No. <i>PO Box 218</i>	
City, State and ZIP Code <i>Millard IA 50702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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right of the return address

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P 083 924 830

**MAIL**



P 083 924 831



**Receipt for  
Certified Mail**

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

Sect. <i>1</i>	
Street and No. <i>PO Box 218</i>	
P.O. State and ZIP Code <i>Midland TX 79702</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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P 083 924 831

**MAIL**

P 083 924 832



**Receipt for  
Certified Mail**

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

Name <i>Kathryn M. Carnick</i>	
Street and No. <i>2905 N. Pauls NE</i>	
City, State and ZIP Code <i>Albuquerque NM 87110</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$-
Postmark or Date	

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P 083 924 832

**MAIL**

P 083 924 833



**Receipt for  
Certified Mail**

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

To: <i>Mr &amp; Mrs Partnership</i>	
Street and No. <i>PO Box 440</i>	
P.O., State, and ZIP Code <i>Atlanta GA 30311-0440</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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P 083 924 833

**MAIL**

P 083 924 834



**Receipt for  
Certified Mail**

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

Sent to <i>Ralph Nix, Jr.</i>	
Street and No. <i>PO Box 440</i>	
P.O. State and Zip Code <i>Atlanta Ga 30311-0440</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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**CERTIFIED**

P 083 924 834

**MAIL**

P 083 924 835



**Receipt for  
Certified Mail**

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

Sent to	
Nanta Fe Energy Operating	
Street and No.	
350 W. 2nd St Suite 1330	
City, State and ZIP Code	
Midland TX 79701	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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**CERTIFIED**

P 083 924 835

**MAIL**

P 083 924 836



**Receipt for  
Certified Mail**

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

Sent to <i>Margaret Morris Shuler</i>	
Street and No. <i>PO Box 101535</i>	
P.O., State, and ZIP Code <i>Ft. Smith Ark 72618-1535</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date -	

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**CERTIFIED**

P 083 924 836

**MAIL**

P 083 924 771



**Receipt for  
Certified Mail**

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

Sender <i>Mullis Royalty Inc</i>	
Street and No. <i>PO Box 1658</i>	
P.O. State and ZIP Code <i>Carlsbad NM 88220</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

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Fold at line over top of envelope to the  
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**CERTIFIED**

P 083 924 771

**MAIL**



P 083 924 772



**Receipt for  
Certified Mail**

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

To <i>Margaret E. Hysacki</i>	
Street and No. <i>721 Robins Rd</i>	
P.O. Box, State and ZIP Code <i>Albany, ME 48917</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date —	

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Fold at line over top of envelope to the  
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**CERTIFIED**

P 083 924 772

**MAIL**

P 083 924 674



**Receipt for  
Certified Mail**

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

Sent to <i>Bureau of Land Management</i>	
Street and No. <i>P.O. Box # 1778</i>	
City, State and ZIP Code <i>Carlsbad, NM 88221-1778</i>	
Postage <i>Mr. Spe Ara</i>	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>January 13, 1994</i> <i>Sara AAA Com #1</i>	

PS Form 3800, June 1991

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**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**

Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit or CA, Agreement Designation NMNM 82527
Name of Operator YATES PETROLEUM CORPORATION (505) 748-1471	8. Well Name and No. Sara AHA Com #1
Address and Telephone No. 105 South 4th St., Artesia, NM 88210	9. API Well No. 30-015-23890
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 660' FEL of Section 11-T20S-R24E (Unit I)	10. Field and Pool, or Exploratory Area South Dagger Draw Upper Penn
	11. County or Parish, State Eddy Co., NM

CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Surface Commingling,</u>	<input type="checkbox"/> Dispose Water
	<u>off lease storage &amp; measurement</u>	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

3. 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.)\*

Please see the attached form for surface commingling, off lease storage and measurement for the list of the attached wells.

The battery is located at the Sara AHA Com #1 location. Please see attached map and site facility diagram.

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

Signed Rusty Klein Title Production Clerk Date January 12, 1994  
(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

WELLS GOING INTO SARA AHA COM #1 BATTERY LOCATED NESE OF SECTION 11-T20S-R24E

CA No.: NMNM82527:

Sara AHA Com #1, NESE (Unit I) of Section 11-T20S-R24E, Eddy Co., NM  
Sara AHA Com #4, SWSE (Unit O) of Section 11-T20S-R24E, Eddy Co., NM  
Sara AHA Com #5, SESW (Unit N) of Section 11-T20S-R24E, Eddy Co., NM  
Sara AHA Com #6, SESE (Unit P) of Section 11-T20S-R24E, Eddy Co., NM  
Conoco AGK Federal Com #10, (NWSE (Unit J) of Section 11-T20S-R24E, Eddy Co., NM

CA No.: NMNM84622:

Sara AHA Com #3, NENE (Unit A) of Section 11-T20S-R24E, Eddy Co., NM  
Saguaro AGS Federal Com #6, SWNE (Unit G) of Section 11-T20S-R24E, Eddy Co., NM  
Saguaro AGS Federal Com #13, NWNE (Unit ) of Section 11-T20S-R24E, Eddy Co., NM  
Sara AHA Com #8, SENE (Unit H) of Section 11-T20S-R24E, Eddy Co., NM

CRA BLM FORMAT

APPLICATION FOR SURFACE COMMINGLING,  
OFF LEASE STORAGE AND MEASUREMENT APPROVAL

This Format Should Be Attached To A Sundry Notice

To: Bureau of Land Management  
P. O. Box 1778  
Carlsbad, New Mexico 88221-1778

Yates Petroleum Corp. (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. CA NMNM82527 ; Lease Name: Sara AHA Com

Conoco AGK Fed Com #10

<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
AHA #1	I	11	20S	24E	Canyon
AHA #4	O	11	20S	24E	Canyon
AHA #5	N	11	20S	24E	Canyon
AHA #6	P	11	20S	24E	Canyon
AGK #10	J	11	20S	24E	Canyon

with hydrocarbon production from the following formation(s) and well(s) on Federal lease No. CA NMNM 84622 ; Lease Name: Sara AHA Com

Saguaro AGS Fed Com

<u>Well No.</u>	<u>Loc.</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rng.</u>	<u>Formation</u>
AHA #3	A	11	20S	24E	Canyon
AHA #8	H	11	20S	24E	Canyon
AGS #6	G	11	20S	24E	Canyon
AGA #13	B	11	20S	24E	Canyon

Production from the wells involved is as follows:

<u>Well Name and No.</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>
Sara AHA Com #1	5	41.3	30
Sara AHA Com #4	27	41.3	218
Sara AHA Com #5	64	41.3	454
Sara AHA Com #6	57	41.3	55
Conoco AGK Fed Com #10	27	41.3	203
Sara AHA Com #3	135	41.3	241
Saguaro AGS Fed Com #6	65	41.3	126
Saguaro AGS Fed Com #13	117	41.3	347
Sara AHA Com #8	59	41.3	92

Continued....

Continued:

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

A map is enclosed showing the lease numbers and location of all leases and wells that will contribute production to the proposed commingling/common storage facility. All unitized/communitized areas, producing zones/pools are also clearly illustrated.

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

The storage and measuring facility is located at NESE, Sec. 11, T 20 S, R 24 E, on lease No. CA NMNM82527 Eddy County, New Mexico. BLM will be notified if there is any future change in the facility location.

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

Oil from each individual well will be measured by positive displacement, temperature compensated metering equipment prior to commingling on the surface.  
Gas from the wells will also be metered separately.

---

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 proposed commingling is necessary for continued operation of the above referenced Federal leases.

We understand that the requested 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: 

Name: Rusty Klein

Title: Production Clerk

Date: January 12, 1994

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

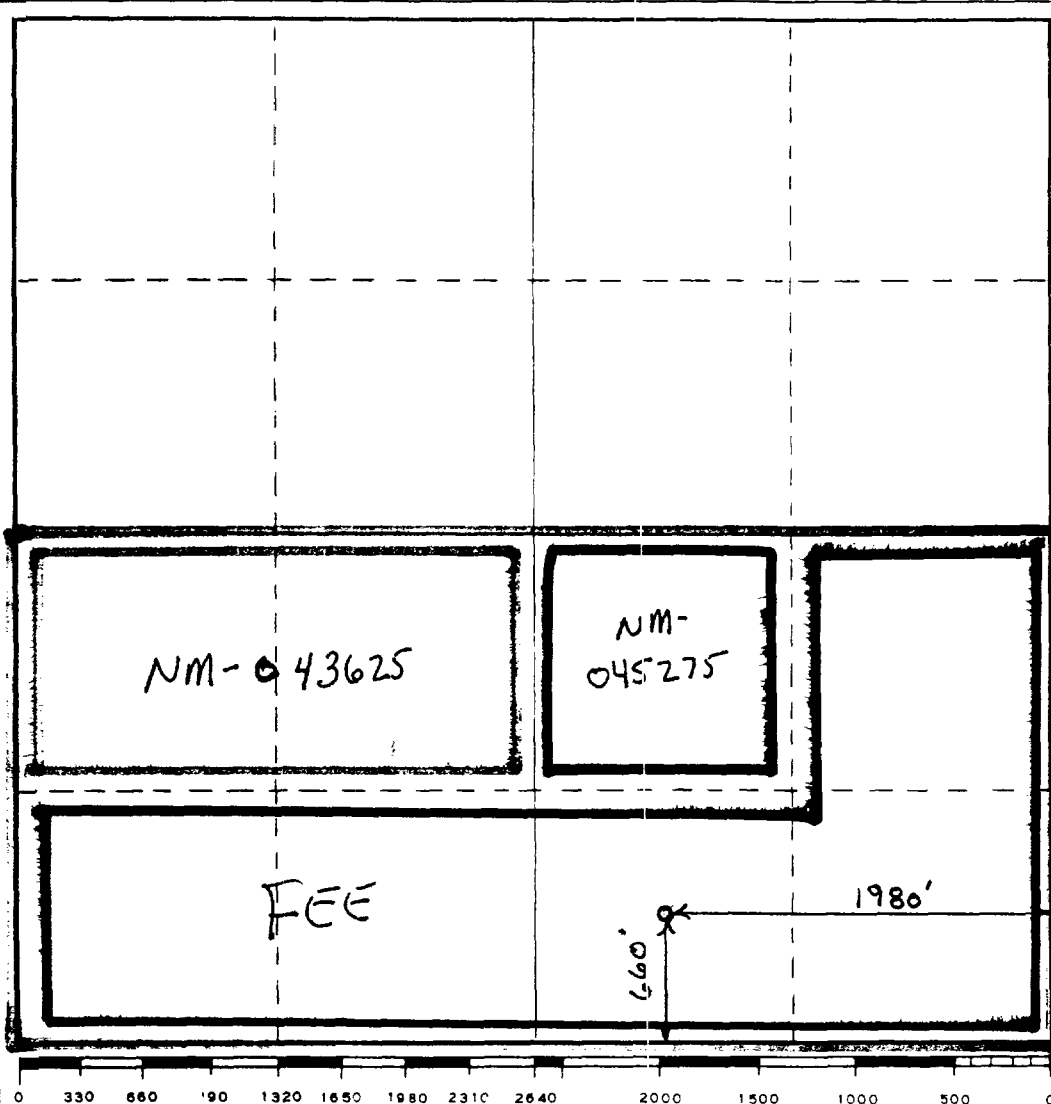
Operator <b>Yates Petroleum Corporation</b>			Lease <b>Sara "AHA" Com</b>		Well No. <b>4</b>
Unit Letter <b>0</b>	Section <b>11</b>	Township <b>20S</b>	Range <b>24E</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span><b>660</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>East</b> line</span> </div>					
Ground Level Elev. <b>3611</b>	Producing Formation <b>Cisco Canyon</b>	Pool <b>So. Dagger Draw Upper Penn</b>	Dedicated Acreage: <b>320</b> Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes    ☐ No    If answer is "yes," type of consolidation **Communitization**

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



**CERTIFICATION**

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

Name  
**Ken Beardemph**

Position  
**Landman**

Company  
**Yates Petroleum Corporation**

Date  
**11-26-90**

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 knowledge and belief.

Date Surveyed  
**11-23-90**

Registered Professional Engineer and/or Land Surveyor

Certificate No.

**PE & PS 5412**



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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

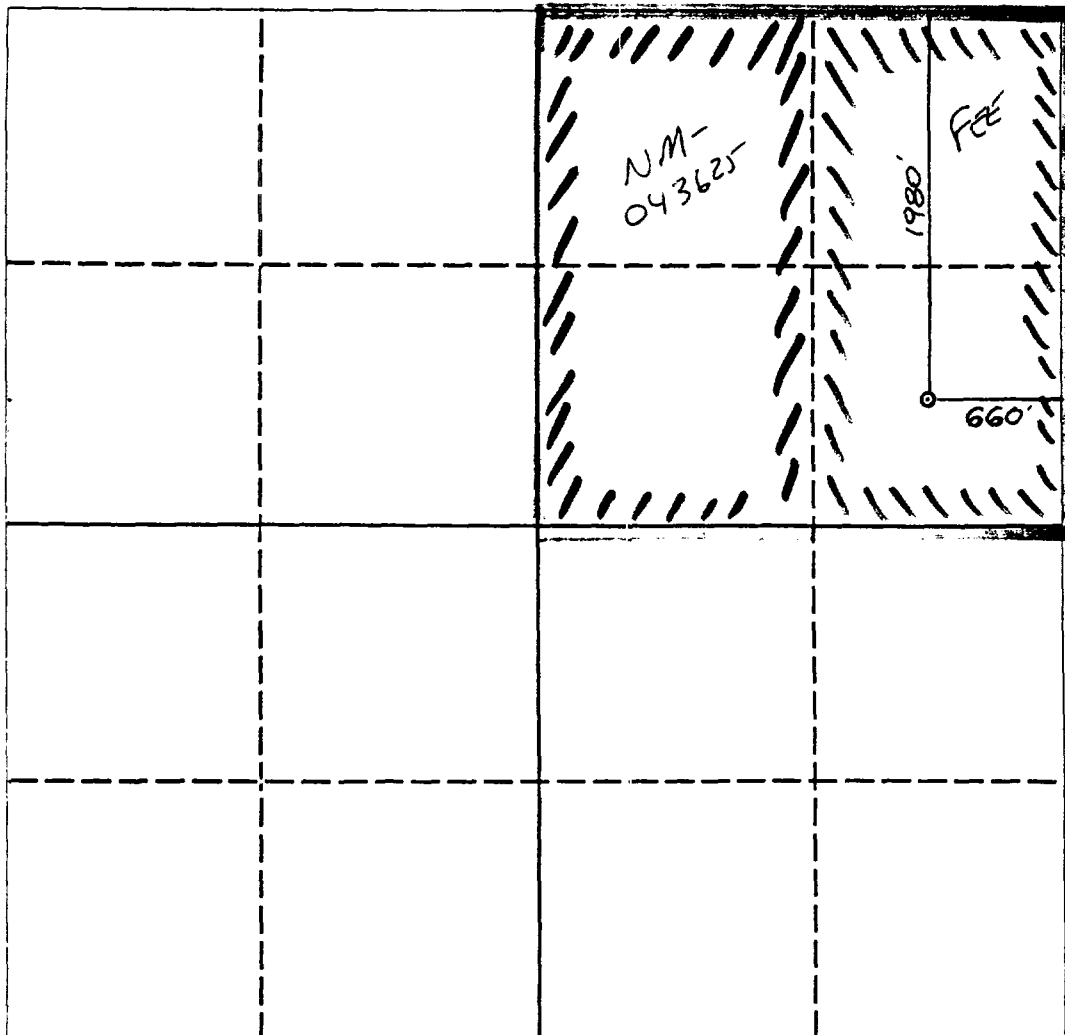
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>SARA AHA COM</b>		Well No. <b>8</b>
Unit Letter <b>H</b>	Section <b>11</b>	Township <b>20 SOUTH</b>	Range <b>24 EAST</b>	County <b>EDDY COUNTY, NM</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>3607.</b>	Producing Formation <b>CISCO CANYON</b>		Pool <b>NORTH DAGGER DRAW UPPER PENN</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No If answer is "yes" type of consolidation communitization

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

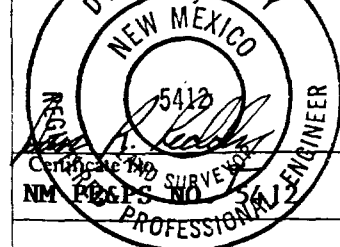
Signature Ken Beardemphl  
Printed Name **KEN BEARDEMPL**  
Position **LANDMAN**  
Company **YATES PET. CORP.**  
Date **7-20-92**

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 knowledge and belief.

Date Surveyed  
**JULY 9, 1992**

Signature of State Professional Surveyor



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

3160-5  
1990)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## OPERATOR'S COPY

FORM A-100-100  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.

Fee Lease NM 04525

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

NMNM 82527

8. Well Name and No.

Sara AHA Com #1

9. API Well No.

30-015-23890

10. Field and Pool, or Exploratory Area

South Dagger Draw Upper Penn

11. County or Parish, State

Eddy Co., NM

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

Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

Name of Operator

YATES PETROLEUM CORPORATION

(505) 748-1471

Address and Telephone No.

105 South 4th St., Artesia, NM 88210

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

1980' FSL &amp; 660' FEL of Section 11-T20S-R24E (Unit 1)

## 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,

off lease storage &amp; measurement

☐ 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.)

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.)

Please see the attached form for surface commingling, off lease storage and measurement for the list of the attached wells.

The battery is located at the Sara AHA Com #1 location. Please see attached map and site facility diagram.

RECEIVED  
JAN 10 11 11 AM '94  
COST  
AREA

I hereby certify that the foregoing is true and correct

Signed

Title

Production Clerk

Date January 12, 1994

(This space for Federal or State office use)

Approved by

Title

Petroleum Engineer

Date 2/4/94

Conditions of approval, if any:

Subject to  
LHA Approval