

119239643 NSL 7/30/01

YATES PETROLEUM CORPORATION
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

FAX COVER SHEET

TO: Mr. Michael Stogner
COMPANY: NMOCD 65
PHONE: (505) 476-3440
FAX: (505) 476-3462

FROM: Clifton R. May
COMPANY: Yates Petroleum Corporation
PHONE: (505) 748-4347
FAX: (505) 748-4572

DATE: July 10, 2001
NUMBER OF PAGES: TEN

COMMENTS: Application for administrative approval for
an Unorthodox Location.

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

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

July 10, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

Via Facsimile
Certified Mail
Return Receipt Request

RE: Application for Unorthodox Location
Vaca "AZJ" State #1 Re-entry
519' FNL & 803' FEL, Sec. 21-T10S-R34E
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully request administrative approval for an unorthodox Morrow gas well, the Vaca "AZJ" State #1. The proposed well is located on State of New Mexico Minerals, Lease V-5521, 519' FNL & 803' FEL of Section 21, Township 10 South, Range 34 East.

Yates Petroleum Corporation proposes to re-enter the captioned well which was originally drilled by Sun Oil Company and plugged and abandoned as a dry hole in August 1968. Yates will re-enter this well using a pulling unit and a reverse unit. The plugs in the 13 3/8" casing & 11" open hole will be cleaned out to the top of the 8 5/8" casing at 1390'. The 8 5/8" casing will be repaired and tied back to the surface from 1390' and cement circulated to surface. After the other cuts in the 8 5/8" casing have been repaired and casing has been cleaned out to the base of the 8 5/8" casing at 4000', a drilling rig will be moved in and clean out the 7 7/8" open hole to the original TD of 10,008'. Then the drilling rig will deepen the hole to a new TD of 12,500' +/- and then run 4 1/2" casing to TD and cemented with the top of cement being 7000' +/-.

Yates concludes that it is cheaper to re-enter and deepen this well than to drill a new well and would be in the best interest of conservation.

Yates Petroleum Corporation is the operator on all the offset proration units around the lease. Therefore, Yates requests that this unorthodox location be administratively approved as early as possible.

Enclosed are forms C-101, C-102, and Land plat showing the lease around this well.

Thank you for your consideration of this request. Please call me at (505) 748-4347 if you need further information.

Sincerely,

YATES PETROLEUM CORPORATION

Clifton E. May
Regulatory Agent

CRM/dc

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

State Lease - 6 Copies

Fee Lease - 5 Copies

DISTRICT II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

PO BOX 2088

Santa Fe, NM 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

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- 025-22557
⁴ Property Code 28315	⁵ Property Name Vaca "AZJ" State	⁶ Well No. 1

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
A	21	10S	34E		519	North	803	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 Wildcat Morrow					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E & D	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4198'
¹⁶ Multiple No	¹⁷ Proposed Depth 12500'	¹⁸ Formation Morrow	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
17 1/2"	13 3/8	48#	425'-In place	250 sx	Circulate
11"	8 5/8"	24# & 28#	1390-4000'-Inpla	210 sx	Unknown
11"	8 5/8"	24#	0-1390'	700 sx	Circulate
7 7/8"	4 1/2"	11.8#	0-12500'	1000 sx	TOC-7000+/-

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.

AN APPLICATION FOR ADMINISTRATIVE APPROVAL FOR AN UNORTHODOX LOCATION IS APPLIED FOR--- See Attached Sheet additional drilling information

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: 07/11/01	Phone: (505) 748-1471	Approval Date:	Expiration Date:
		Conditions of Approval Attached <input type="checkbox"/>	

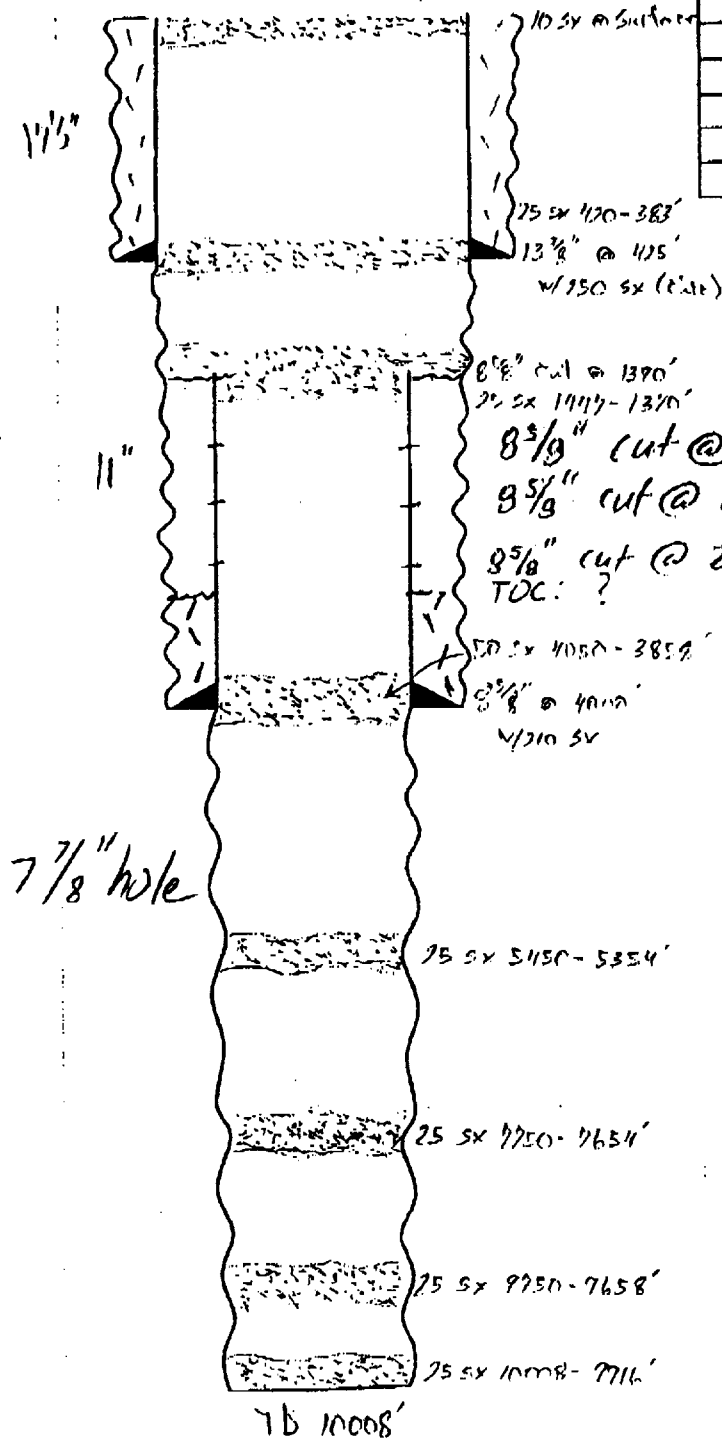
YATES PETROLEUM CORPORATION**Vaca "AZJ" State #1 Re-entry****519' FNL & 803' FEL****Section 21-T10S-R34E****Lea County, New Mexico****Lease #VO-5521**

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Sun Oil Company as their New Mexico "L" State #1 which was plugged in 1968. Yates will use a pulling unit and a reverse unit to drill out the cement plugs in the 13 3/8" casing which was set at 425' and cemented with 250 sacks. The plugs in the 11" open hole will be drilled out to the top of the 8 5/8" casing which was cut at 1390'. The 8 5/8" casing will be repaired and tied back to surface and cemented to surface. After the other cuts in the 8 5/8" casing have been repaired and the casing cleaned out to the base of the 8 5/8" casing at 4000', a drilling rig will be moved on the well and the drilling rig will clean out the 7 7/8" open hole to the old TD of 10,008'. Then the well bore will be drilled deeper to a new TD of 12,500'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 4 1/2" production casing to TD and will be cemented with approximately 850 sacks of cement to bring the cement top up to 4000'+/- The mud program to be used will be 9.4 - 9.8 ppg brine water with a 55-70 viscosity. A 5000# BOPE will be installed on the 8 5/8" casing.

The well will be completed using a pulling unit. The Morrow formation will be the main target for completion.

WELLNAME: New Mexico L 46461 (Sun Oil) FIELD: Simanola - Penn
 LOCATION: 517'N 1 803'W A 21-105-34E La. County
 SL: 4196 ZERO: _____ AGL: _____ KB: _____
 SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68
 COMMENTS: BYA

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 5/8" 48# H40	1125'
8 5/8" 21# J55 1 28# H40	4000'



before

8 5/8" cut @ 1.520' could not pull
 8 5/8" cut @ 2.040' could not pull
 8 5/8" cut @ 2.510' could not pull
 TOC: ?

Tops: Kilts 2780'
 San Andres 4080'
 Goliad 5505'
 Tubb 6785'
 Abo 7784'
 Wolfcamp 8888'
 Penn 9812'
 Cisco 9964'

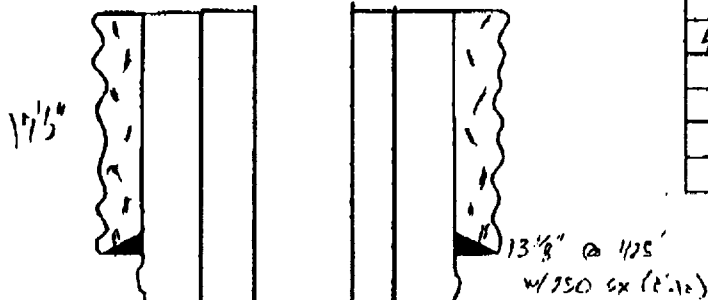
- SKETCH NOT TO SCALE -

DATE: 6-27-01 25

WELLNAME: New Mexico L 4421 (Sun Oil) FIELD: Simpson - PennLOCATION: 519' EN + 803' EF A 21-105-34E Lea CountyGL: 4196' ZERO: _____ AGL: _____ KB: _____SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68COMMENTS: DY

CASING PROGRAM

SIZE/WT/GR/CONN	DEPTH SET
13 ³ / ₈ " 48# H40	425'
8 ⁵ / ₈ " 21# J55 + 28# H40	4000'
4 ¹ / ₂ ", 11.60, P-110, LT+C	12,500'

After8⁵/₈" tied back @ 1,390'8⁵/₈" cut @ 1,520', squeeze w/ cement8⁵/₈" cut @ 2,040', " " "8⁵/₈" cut @ 2,510', " " "

TOC: ?

8⁵/₈" @ 4000'
w/ 210 SX7⁷/₈" hole

TOC: 7,000' +/-

Tops: Kithers 2780'
 San Andres 4080'
 Gloria 5505'
 Tubbs 6785'
 Albo 7784'
 Wolfcamp 8888'
 Penn 9812'
 Cisco 9964'

PBTD: 12,450'

- SKETCH NOT TO SCALE -

DATE: 7/2/01 JWP
6-27-01 PD

TD: 12,500' +/-

4¹/₂" set @ 12,500' cement w/ 1000 +/- sack

06/27/73 13:07 5053935388

OIL REPORTS

YATES PETROLEUM

013

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-4-83

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

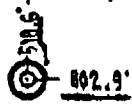
Operator Sun Oil Company		Lease New Mexico "L" State 1108		Well No. 1
Unit Letter A	Section 21	Township 10S	Range 34E	County Lea
Actual Footage Location of Well: 518.6 feet from the North line and 802.9' feet from the East line				
Ground Level Elev: 4196'	Producing Formation Baugh "C"	Pool Simanola-Penn.	Dedicated Acreage: 80 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

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
Ross R. Cone, Jr.

Position
Asst. Regional Supt.

Company
Sun Oil Company

Date
May 6, 1968

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

5-3-68

Registered Professional Engineer and/or Land Surveyor

Ross R. Cone, Jr.
Certificate No.

DISTRICT I

1600 E. French Dr., Suite, NM 88406

DISTRICT II

511 South First, Artesia, NM 88210

DISTRICT III

1000 N. Brown Rd., Artesia, NM 87410

DISTRICT IV

2540 South Foothills, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-103

Revised March 17, 1999

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-025-225575	Pool Code	Pool Name Wildcat Morrow
Property Code 28315	Property Name Vaca "AZJ" State	Well Number 1
OGUID No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4196'

Surface Location

UL or Lot No.	Section	Township	Range	Lot Lin	Feet from the	North/South line	Feet from the	East/West line	County
A	21	10S	34E		519	North	803'	East	Lea

Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Lin	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

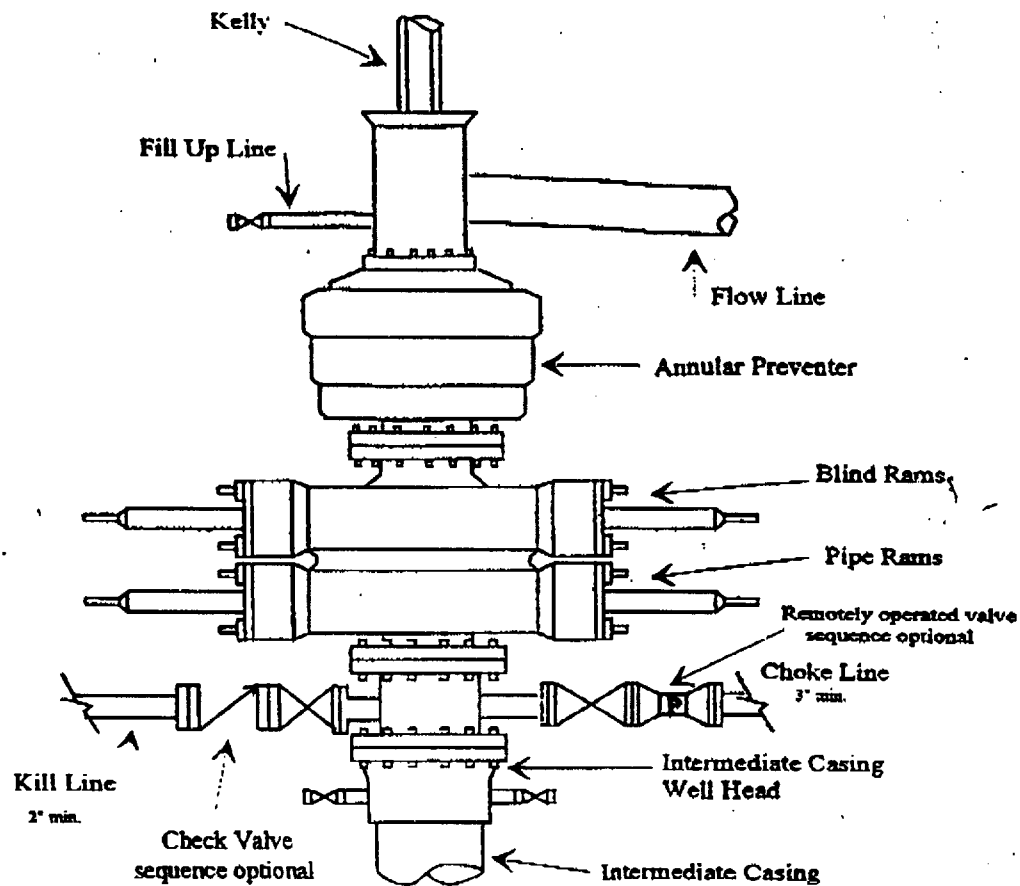
**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

			519'	803'	OPERATOR CERTIFICATION I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief. <u>Clifton R. May</u> Signature Clifton R. May Printed Name Regulatory Agent Title July 11, 2001 Date
		VO-5521			
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. Refer to original plat Date Surveyed Signature & Seal of Professional Surveyor					Certificate No. Harschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY

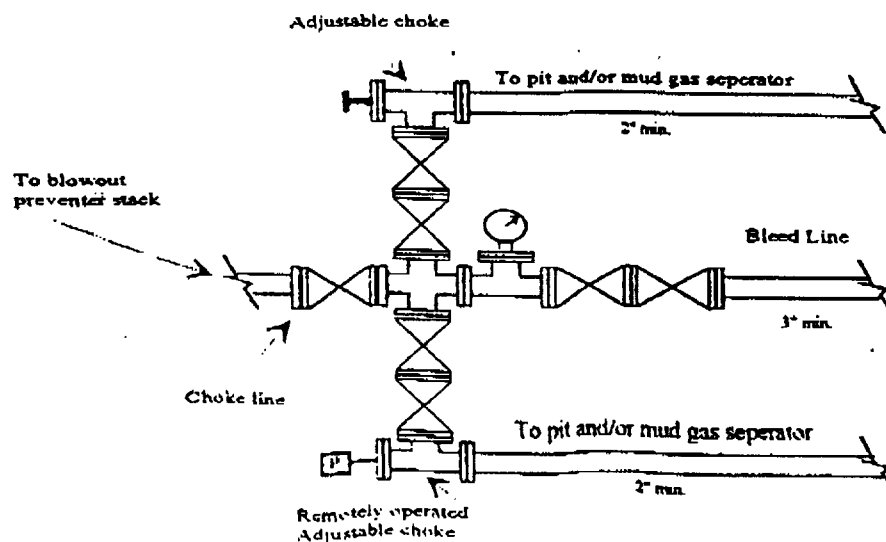


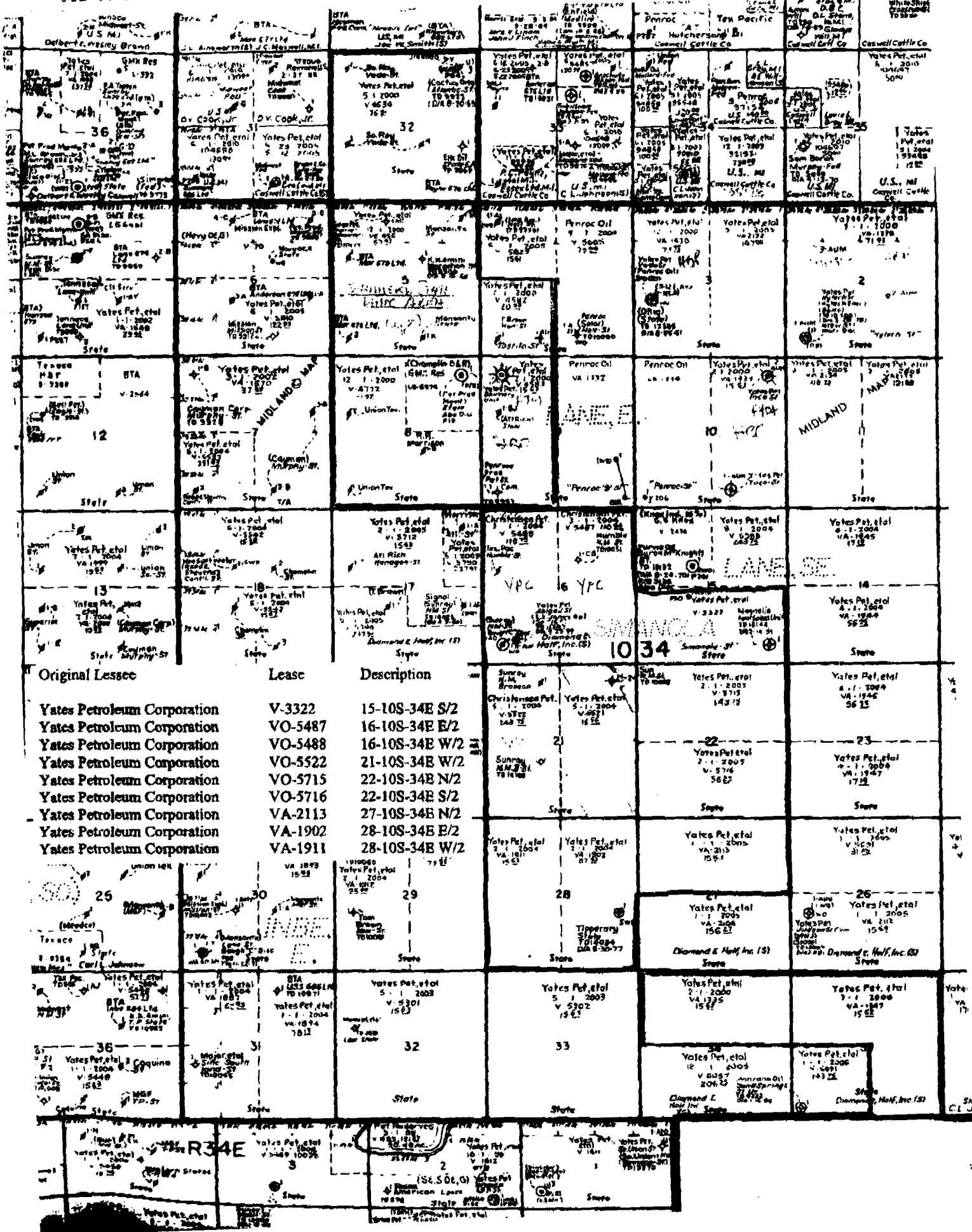
Yates Petroleum Corporation
Typical 5,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

BOP-4



Typical 5,000 psi choke manifold assembly with at least these minimum features





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
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

July 10, 2001

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87508

Via Facsimile
Certified Mail
Return Receipt Request

RE: Application for Unorthodox Location
Vaca "AZJ" State #1 Re-entry
519' FNL & 803' FEL, Sec. 21-T10S-R34E
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully request administrative approval for an unorthodox Morrow gas well, the Vaca "AZJ" State #1. The proposed well is located on State of New Mexico Minerals, Lease V-5521, 519' FNL & 803' FEL of Section 21, Township 10 South, Range 34 East.

Yates Petroleum Corporation proposes to re-enter the captioned well which was originally drilled by Sun Oil Company and plugged and abandoned as a dry hole in August 1968. Yates will re-enter this well using a pulling unit and a reverse unit. The plugs in the 13 3/8" casing & 11" open hole will be cleaned out to the top of the 8 5/8" casing at 1390'. The 8 5/8" casing will be repaired and tied back to the surface from 1390' and cement circulated to surface. After the other cuts in the 8 5/8" casing have been repaired and casing has been cleaned out to the base of the 8 5/8" casing at 4000', a drilling rig will be moved in and clean out the 7 7/8" open hole to the original TD of 10,008'. Then the drilling rig will deepen the hole to a new TD of 12,500' +/- and then run 4 1/2" casing to TD and cemented with the top of cement being 7000' +/-.

Yates concludes that it is cheaper to re-enter and deepen this well than to drill a new well and would be in the best interest of conservation.

Yates Petroleum Corporation is the operator on all the offset proration units around the lease. Therefore, Yates requests that this unorthodox location be administratively approved as early as possible.

Enclosed are forms C-101, C-102, and Land plat showing the lease around this well.

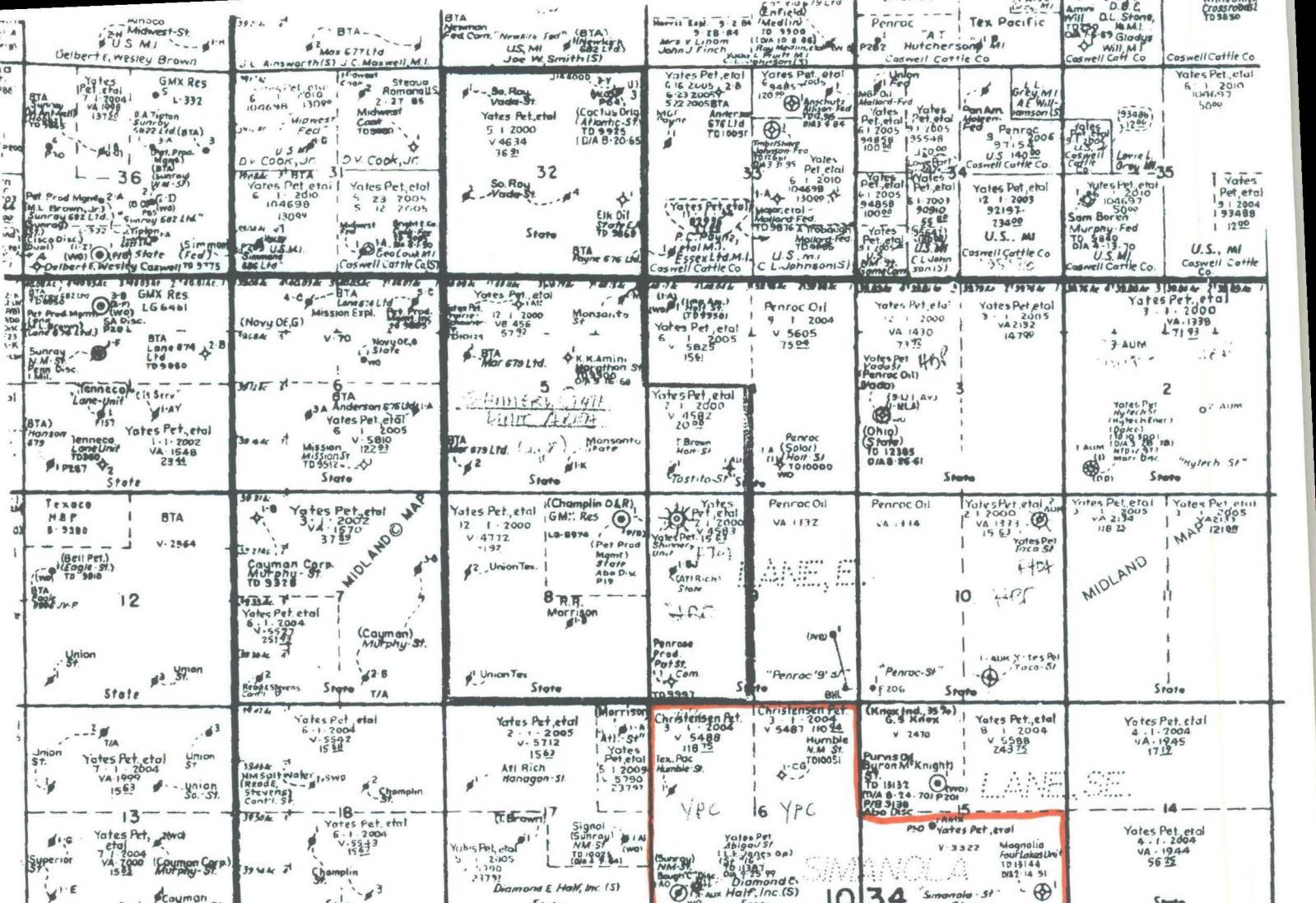
Thank you for your consideration of this request. Please call me at (505) 748-4347 if you need further information.

Sincerely,

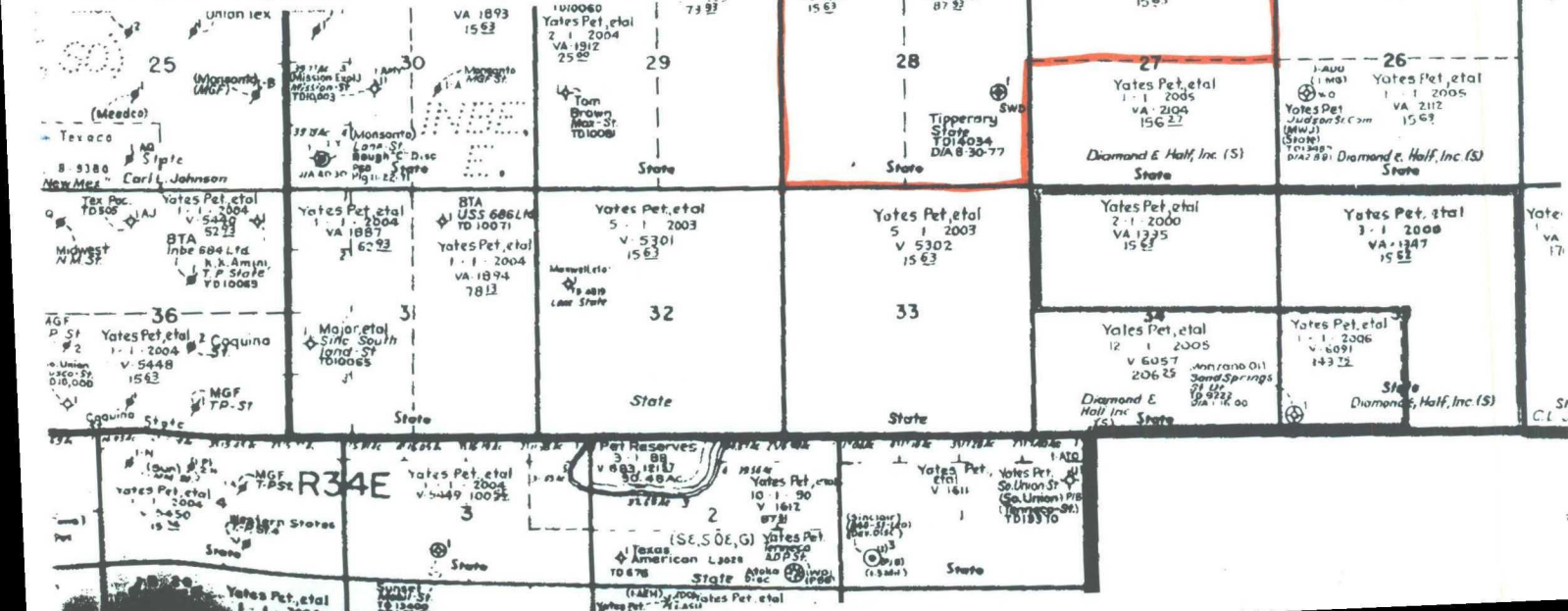
YATES PETROLEUM CORPORATION

Clifton E. May
Regulatory Agent

CRM/dc



Original Lessee	Lease	Description
Yates Petroleum Corporation	V-3322	15-10S-34E S/2
Yates Petroleum Corporation	VO-5487	16-10S-34E E/2
Yates Petroleum Corporation	VO-5488	16-10S-34E W/2
Yates Petroleum Corporation	VO-5522	21-10S-34E W/2
Yates Petroleum Corporation	VO-5715	22-10S-34E N/2
Yates Petroleum Corporation	VO-5716	22-10S-34E S/2
Yates Petroleum Corporation	VA-2113	27-10S-34E N/2
Yates Petroleum Corporation	VA-1902	28-10S-34E E/2
Yates Petroleum Corporation	VA-1911	28-10S-34E W/2



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
State Lease - 6 Copies
Fee Lease - 5 Copies

DISTRICT II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

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- 025-22557
⁴ Property Code 28315	⁵ Property Name Vaca "AZJ" State	⁶ Well No. 1

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
A	21	10S	34E		519	North	803	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 Wildcat Morrow					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E & D	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4196'
¹⁶ Multiple No	¹⁷ Proposed Depth 12500'	¹⁸ Formation Morrow	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
17 1/2"	13 3/8	48#	425'-in place	250 sx	Circulate
11"	8 5/8"	24# & 28#	1390-4000'-inpla	210 sx	Unknown
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7 7/8"	4 1/2"	11.6#	0-12500'	1000 sx	TOC-7000+/-

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 productivity. Describe the blowout prevention program, if any. Use additional sheets if necessary.

AN APPLICATION FOR ADMINISTRATIVE APPROVAL FOR AN UNORTHODOX LOCATION IS APPLIED FOR---- See Attached Sheet additional drilling information

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: 07/11/01		Approval Date:	Expiration Date:
Phone: (505) 748-1471		Conditions of Approval Attached <input type="checkbox"/>	

YATES PETROLEUM CORPORATION

Vaca "AZJ" State #1 Re-entry

519' FNL & 803' FEL

Section 21-T10S-R34E

Lea County, New Mexico

Lease #VO-5521

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Sun Oil Company as their New Mexico "L" State #1 which was plugged in 1968. Yates will use a pulling unit and a reverse unit to drill out the cement plugs in the 13 3/8" casing which was set at 425' and cemented with 250 sacks. The plugs in the 11" open hole will be drilled out to the top of the 8 5/8" casing which was cut at 1390'. The 8 5/8" casing will be repaired and tied back to surface and cemented to surface. After the other cuts in the 8 5/8" casing have been repaired and the casing cleaned out to the base of the 8 5/8" casing at 4000', a drilling rig will be moved on the well and the drilling rig will clean out the 7 7/8" open hole to the old TD of 10,008'. Then the well bore will be drilled deeper to a new TD of 12,500'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 4 1/2" production casing to TD and will be cemented with approximately 850 sacks of cement to bring the cement top up to 4000'+/- The mud program to be used will be 9.4 – 9.8 ppg brine water with a 55-70 viscosity. A 5000# BOPE will be installed on the 8 5/8" casing.

The well will be completed using a pulling unit. The Morrow formation will be the main target for completion.

DISTRICT I
1635 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Elia Brasas Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-225575	Pool Code	Pool Name Wildcat Morrow
Property Code 28315	Property Name Vaca "AZJ" State	Well Number 1
OCRID No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4196'

Surface Location

UL or lot No. A	Section 21	Township 10S	Range 34E	Lot Idn	Feet from the 519	North/South line North	Feet from the 803'	East/West line East	County 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 320	Joint or Infill	Consolidation Code	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

			519'
			803'
		VO-5521	

OPERATOR CERTIFICATION

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

Clifton R. May
Signature
Clifton R. May
Printed Name
Regulatory Agent
Title
July 11, 2001
Date

SURVEYOR CERTIFICATION

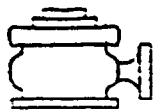
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Refer to original plat

Date Surveyed
Signature & Seal of
Professional Surveyor

Certificate No. Herschel L. Jones RLS 3640

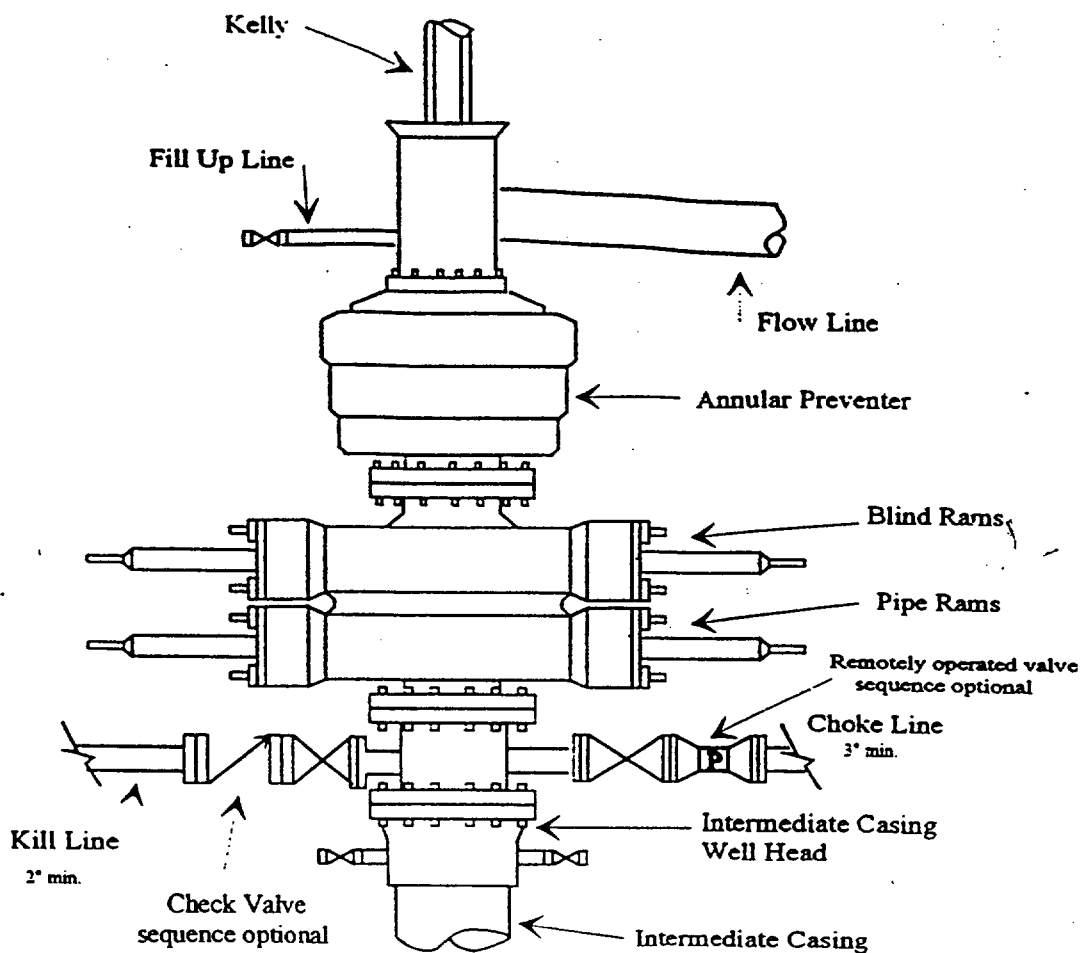
GENERAL SURVEYING COMPANY



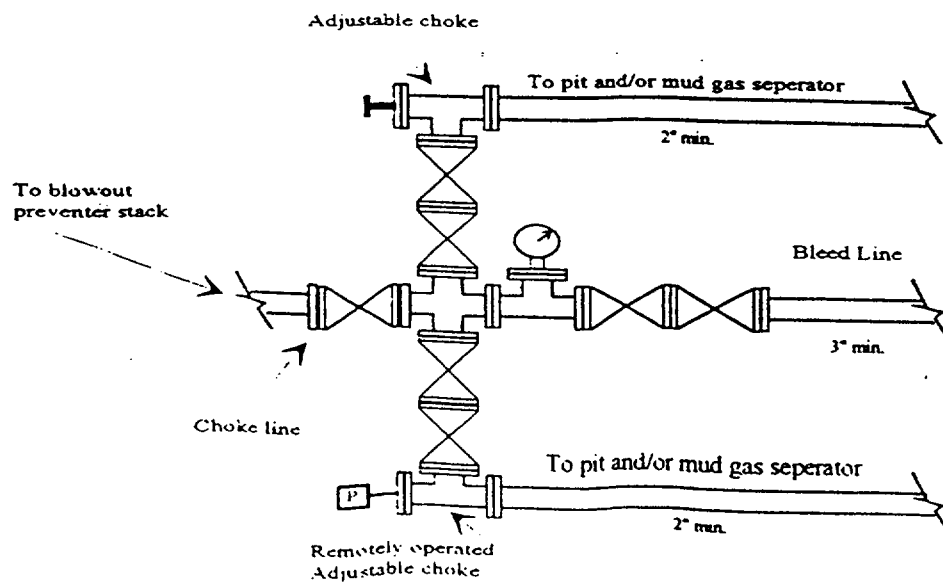
Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

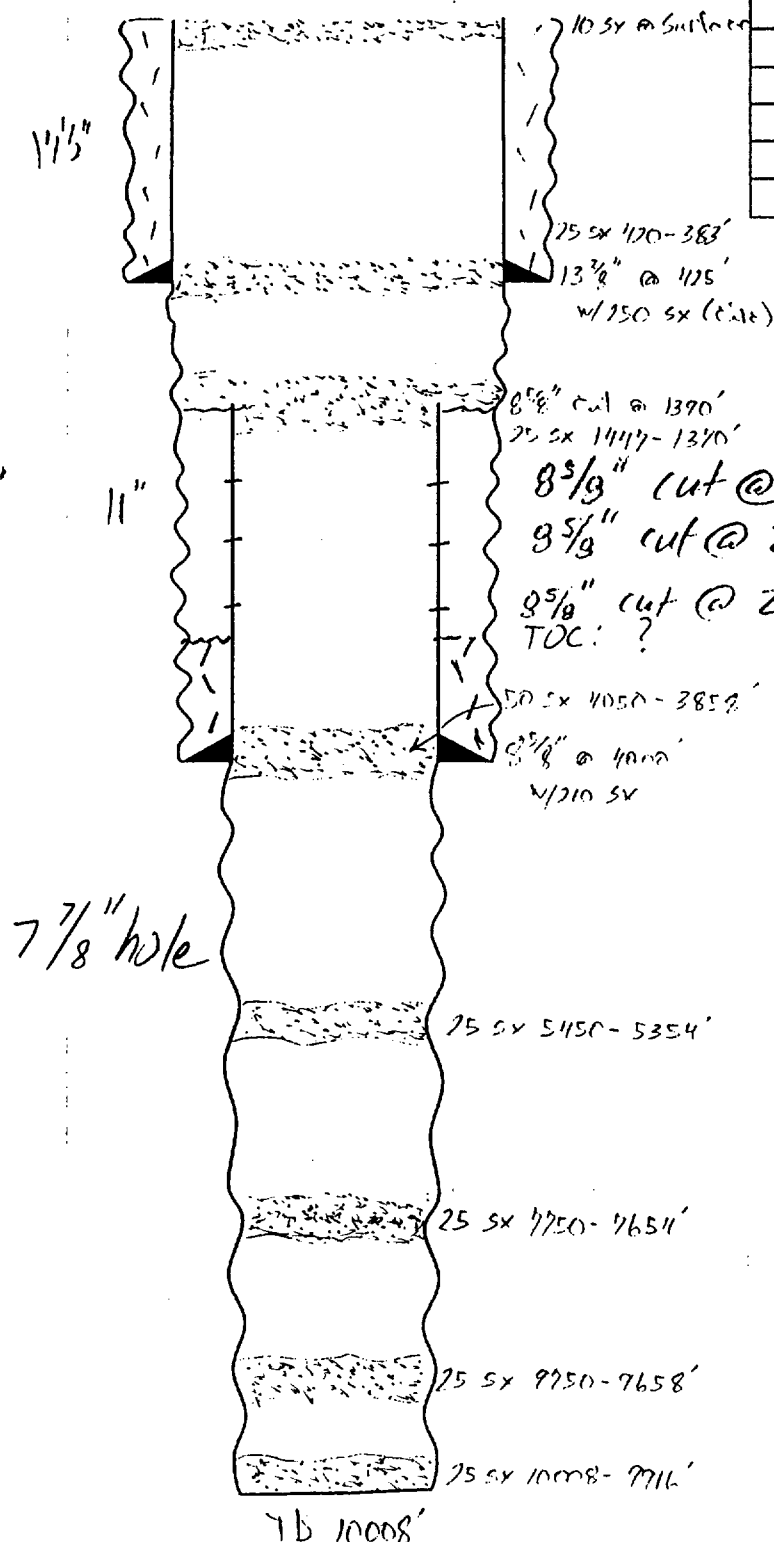


Typical 5,000 psi choke manifold assembly with at least these minimum features



WELLNAME: New Mexico L 464c1 (Sun Oil) FIELD: Simmons - Penn
 LOCATION: 519' N 1 303' E A 21-105-31E Ira County
 GL: 4196' ZERO: _____ AGL: _____ KB: _____
 SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68
 COMMENTS: BYA

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 ³ / ₈ " 48# H40	125'
8 ⁵ / ₈ " 21# 355 y 28# H40	1000'



before

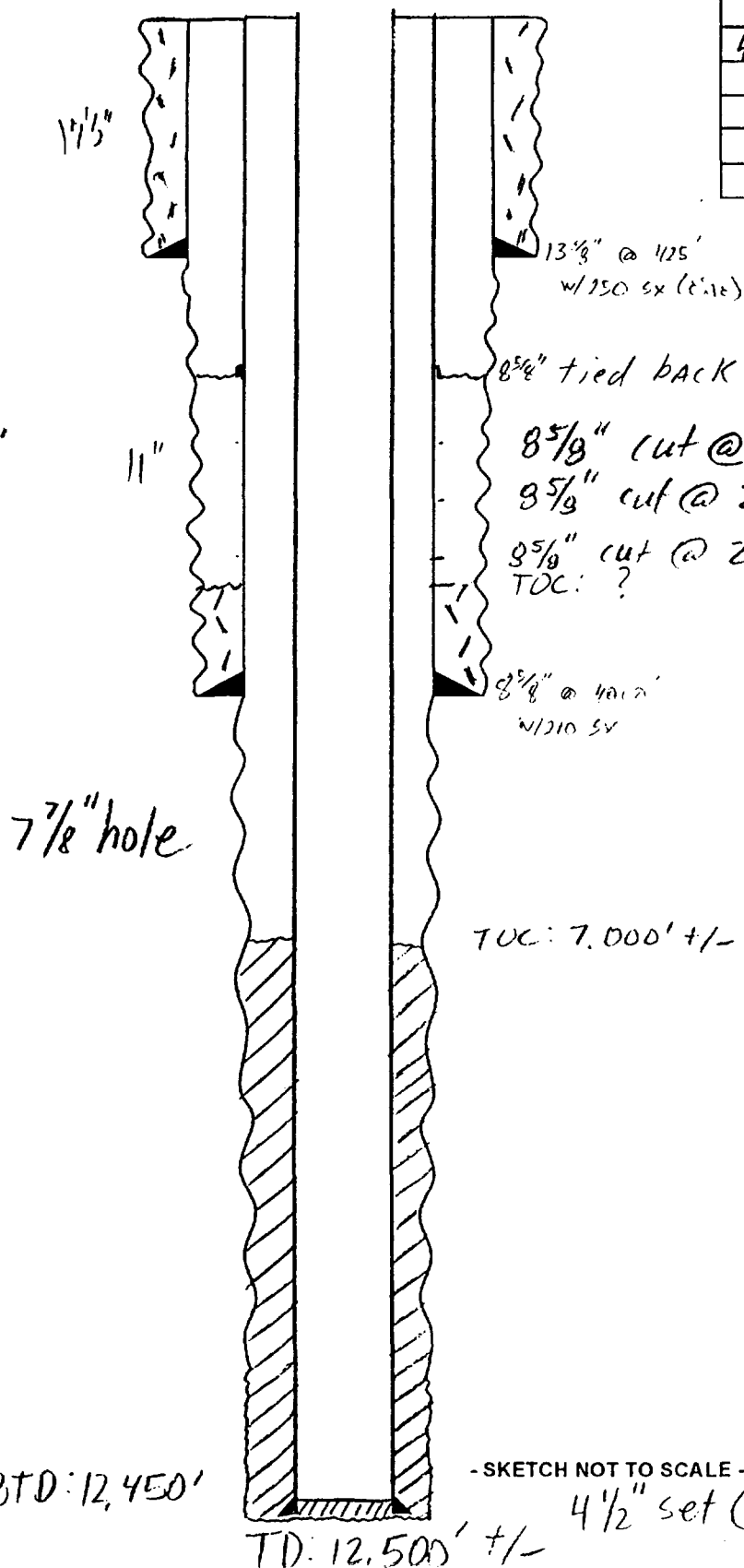
Tops: Kates 2780'
 San Andrus 4080'
 Glorieta 5505'
 Tubbs 6985'
 Abo 7784'
 Wolfcamp 8888'
 Penn 9812'
 Cisco 9964'

- SKETCH NOT TO SCALE -

DATE: 6-27-01 25

WELLNAME: New Mexico L 64161 (Sun Oil) FIELD: Simanola - Penn
 LOCATION: 519' EN 1 803' E A 21-105-34E Lea County
 GL: 4196' ZERO: _____ AGL: _____ KB: _____
 SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68
 COMMENTS: DYX

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 ³ / ₈ " 48# H40	425'
8 ⁵ / ₈ " 21# 355 + 28# H40	4000'
4 ¹ / ₂ " 11.60, P-110, LT+C	12,500'



After

Tops: Kintres	2780'
San Andres	4080'
Glorieta	5505'
Tubb	6987'
ALO	7784'
Wolfcamp	8888'
Penn	9812'
Cisco	9964'

PBTD: 12,450'

- SKETCH NOT TO SCALE -

DATE: 7/2/01 JWP
6-27-01 PD
 4 1/2" set @ 12,500' CMTD w/ 1000 +/- sack

06/27/73

13:07

5053935388

OIL REPORTS

--- YATES PETROLEUM

0013

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 Sun Oil Company		Lease New Mexico "L" State		Well No. 1	
Unit Letter A	Section 21	Township 10S	Range 34E	County Lea	
Actual Footage Location of Well: 518.6 feet from the North line and 802.9' feet from the East line					
Ground Level Elev: 4190'	Producing Formation Baugh "C"		Pool Simanola-Penn.		Dedicated Acreage: 80 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

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.

Ross R. Cone, Jr.
Name

Ross R. Cone, Jr.

Position

Asst. Regional Supt.

Company

Sun Oil Company

Date

May 6, 1968

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

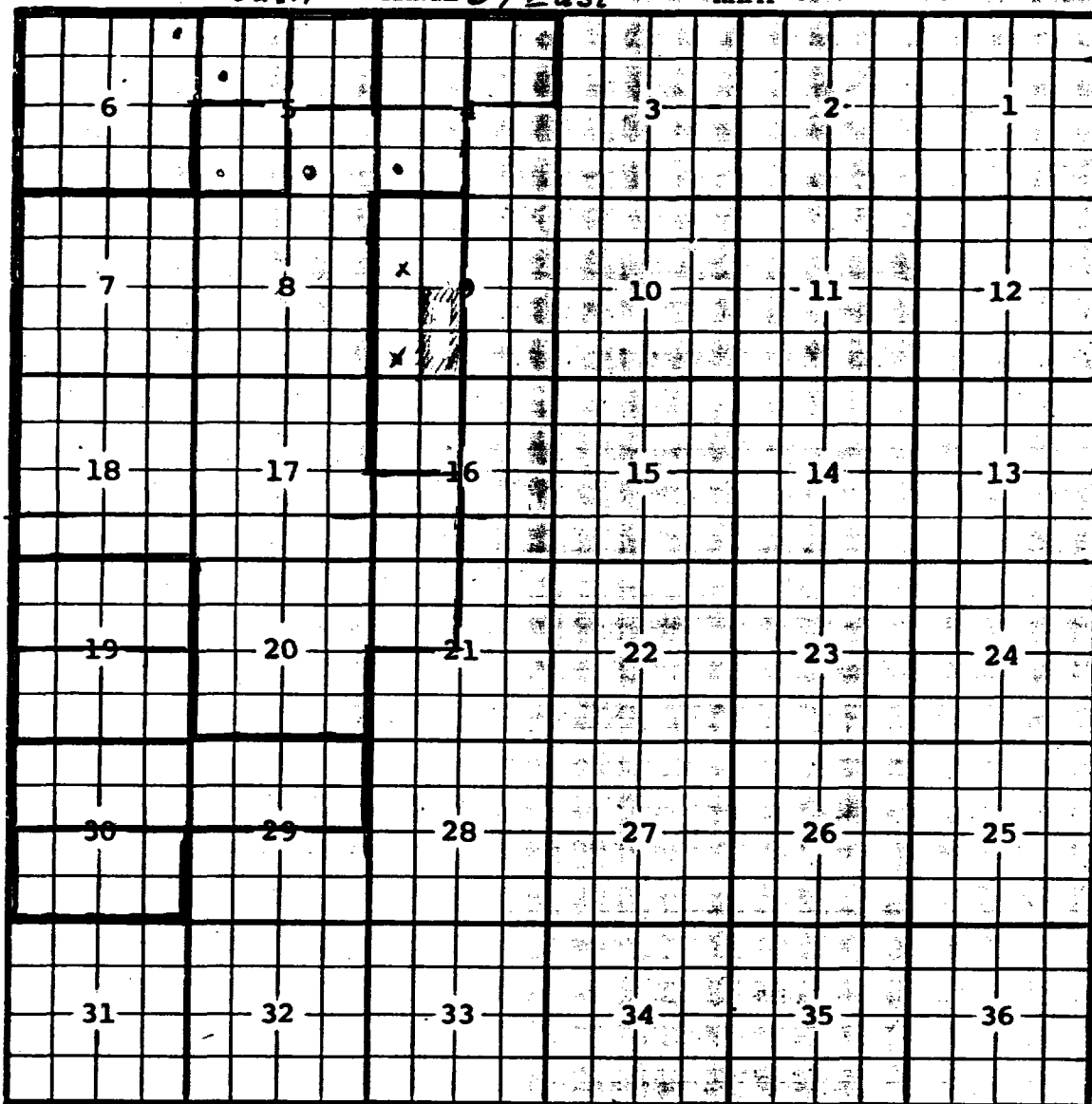
5-3-68

Registered Professional Engineer and/or Land Surveyor

David P. Howrey
Certificate No.

COUNTY LeaPOOL Vada-PennsylvanianTOWNSHIP 10 SouthRANGE 34 East

NMPM



Ext: $\frac{NW}{4}$ Sec. 5; All Sec. 6 (R-3411, 6-1-68) - $\frac{SW}{4}$ Sec. 5 (R-3455, 8-1-68)
 - $\frac{SW}{4}$ Sec. 4; $\frac{SE}{4}$ Sec. 5; All Secs. 7 & 8; $\frac{SW}{4}$ Sec. 16; All Secs. 17, 18, & 20; $\frac{NW}{4}$ Sec. 21 (R-3472, 9-1-68)
 - $\frac{N}{2}$ Sec. 19 (R-3505, 10-1-68) - $\frac{N}{2}$ Sec. 29; $\frac{N}{2}$ Sec. 30 (R-3562, 12-1-68) - $\frac{W}{2}$ Sec. 9;
 - $\frac{NW}{4}$ Sec. 16; $\frac{S}{2}$ Sec. 19; $\frac{S}{2}$ Sec. 30 (R-3662, 2-1-69) - $\frac{NE}{4}$ Sec. 5 (R-3731, 5-1-69)
 - $\frac{NW}{4}$ Sec. 4 (R-3780, 7-1-69) - $\frac{NE}{4}$ Sec. 4 (R-3818, 9-1-69)

COUNTY *Lea*

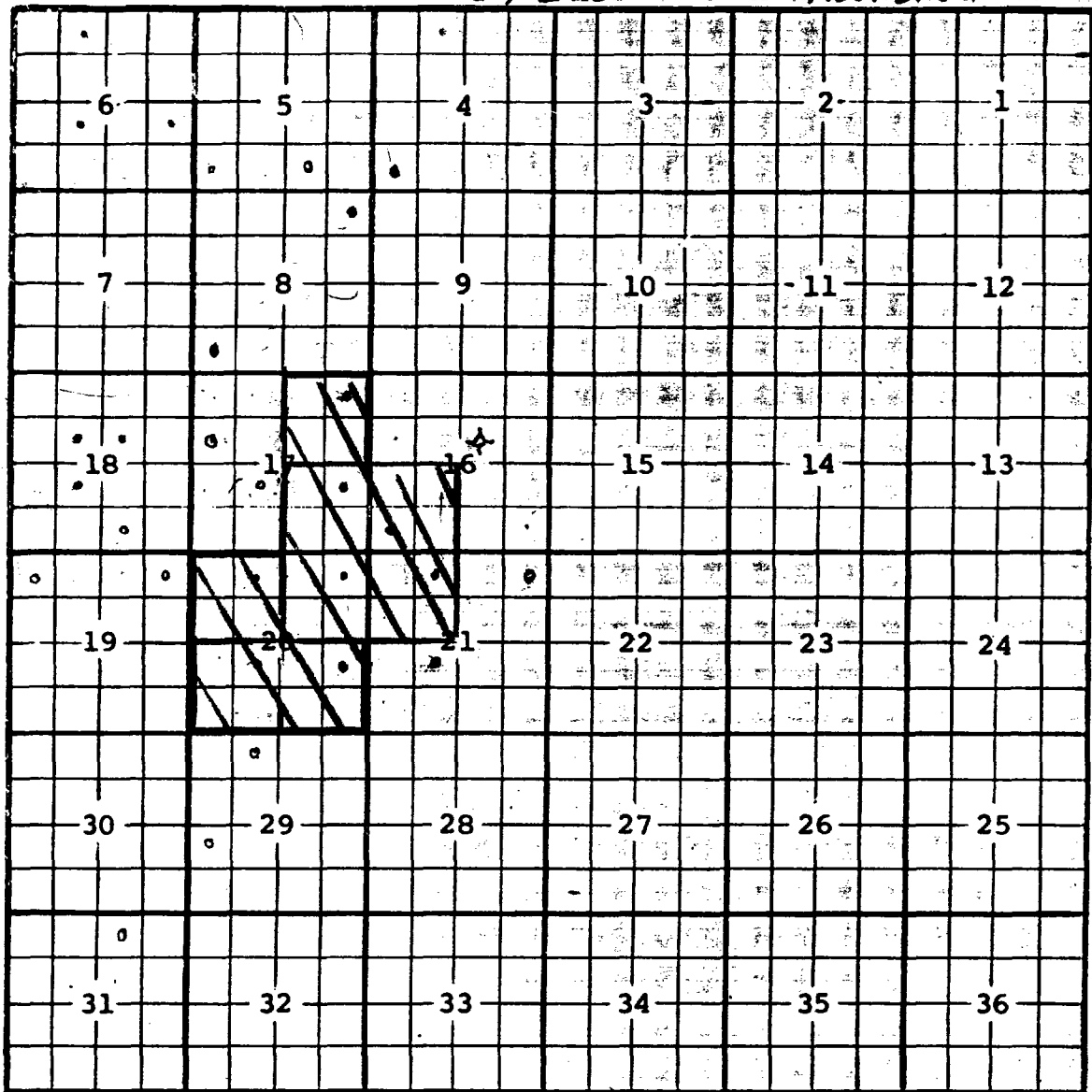
POOL

*Simandla - Pennsylvanian (Bought)*TOWNSHIP *10 South*

RANGE

34 East


NMPM

Abolished

Description: *SW* $\frac{1}{4}$ Sec. 16; *SE* $\frac{1}{4}$ Sec. 17; *NE* $\frac{1}{4}$ Sec. 20; *NW* $\frac{1}{4}$ Sec. 21 (R-2645, 1-31-64)
Ext: *NE* $\frac{1}{4}$ Sec. 17; *NW* $\frac{1}{4}$ Sec. 20 (R-3411, 6-1-68) - $\frac{5}{8}$ Sec. 20 (R-3455, 8-1-68)

Abolished (R-3472, 9-1-68)

Sec _____ Township No. _____ of Range No. _____

		Byron McKnight Sun State #1 869.3' FEL 456.7' FNL Spud: 7-16-1970 TD 200' Pt A'd: 8-21-1970 30-025-23557	
			Sun Oil Co. New Mexico L. State #1 518.6' FNL - 802.9' FEL Spud: 10000 5-24-68 TD - 10008' Pt A'd 8-9-68 Simanola - Permit 30-025-22557

660

141' - 200.1
143

SIMANOLA-PENNSYLVANIAN POOL
Lea County, New Mexico

Order No. R-2645, Creating and Adopting Temporary Operating Rules for the Simanola-Pennsylvanian Pool, Lea County, New Mexico, February 15, 1964.

Order No. R-2645-B, March 15, 1965, makes permanent the temporary rules adopted in Order No. R-2645.

Application of Sunray DX Oil Company for the creation of a new oil pool and for special temporary pool rules, Lea County, New Mexico.

CASE NO. 2942
Order No. R-2645

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on November 20, 1963, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 31st day of January, 1964, 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, Sunray DX Oil Company, seeks an order creating a new Bough "C" oil pool in Lea County, New Mexico, and promulgating temporary special rules and regulations establishing 160-acre spacing and fixed well locations in said pool.

(3) That the applicant's New Mexico State "AO" Well No. 1, located in Unit M of Section 16, Township 10 South, Range 34 East, NMPM, Lea County, New Mexico, has encountered a separate common source of supply which should be designated the Simanola-Pennsylvanian Pool.

(4) That the applicant's New Mexico State "AO" Well No. 1 was completed October 31, 1963; that the top of the perforations in the Pennsylvanian formation in said well is at 9933 feet.

(5) That although the evidence concerning reservoir characteristics and economics will not justify temporary 160-acre spacing, temporary special rules and regulations providing for 80-acre spacing should be promulgated for the subject pool 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.

(6) 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.

(7) That the temporary special rules and regulations promulgated herein 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.

(8) That this case should be reopened in February, 1965, at which time the operators in the Simanola-Pennsylvanian Pool should appear and show cause why said pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production is hereby created and designated the Simanola-Pennsylvanian Pool with vertical limits comprising the Pennsylvanian formation and horizontal limits consisting of the following-described area:

NEW MEXICO PRINCIPAL MERIDIAN
LEA COUNTY, NEW MEXICO
TOWNSHIP 10 SOUTH, RANGE 34 EAST

Section 16: SW/4 Section 20: NE/4
Section 17: SE/4 Section 21: NW/4

(2) That Special Rules and Regulations for the Simanola-Pennsylvanian Pool are hereby promulgated as follows, effective February 15, 1964.

SPECIAL RULES AND REGULATIONS
FOR THE
SIMANOLA-PENNSYLVANIAN POOL

(SIMANOLA-PENNSYLVANIAN POOL - Cont'd.)

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

RULE 2. Each well completed or recompleted in the Simanola-Pennsylvanian Pool shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a single governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

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 comprising a single quarter-quarter section or lot. 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. The first well drilled on every standard or non-standard unit in the Simanola-Pennsylvanian Pool shall be located within 200 feet of the center of either the NE/4 or the SW/4 of a governmental quarter section. All wells shall be located within 200 feet of the center of a governmental quarter-quarter section.

RULE 5. The Secretary-Director may grant an exception to the footage 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, provided the well will be located no nearer than 330 feet to the outer boundary of the unit. All operators offsetting the proposed unorthodox 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 offset operators or if no offset operator has entered an objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) in the Simanola-Pennsylvanian Pool shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on an 80-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 in the Simanola-Pennsylvanian Pool as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That any well presently drilling to or completed in the Pennsylvanian formation within the Simanola-Pennsylvanian Pool or within one mile thereof that will not comply with the well location requirements of Rule 4 is hereby granted an exception to said rule; that the operator of any such well shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before February 15, 1964.

(2) That any operator desiring to dedicate 80 acres to a well presently drilling to or completed in the Simanola-Pennsylvanian Pool shall file a new Form C-128 with the Commission on or before February 15, 1964.

(3) That this case shall be reopened at an examiner hearing in February, 1965, at which time the operators in the subject pool may appear and show cause why the Simanola-Pennsylvanian Pool should not be developed on 40-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.

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. 3836
Order No. R-3472

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ABOLISHING, CONTRACTING,
AND EXTENDING CERTAIN POOLS IN CHAVES
AND LEA COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 14, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of August, 1968, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Sulimar-Queen Pool. Further, that the discovery well for said pool, Jack M. McClellan's Lisa "C" Federal No. 1, located in Unit A of Section 24, Township 15 South, Range 29 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 10,155 barrels to be assigned over a two-year period. The top of the perforations in said well is at 2,031 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the

Wolfcamp formation, said pool to bear the designation of Dogie Draw-Wolfcamp Pool. Said Dogie Draw-Wolfcamp Pool was discovered by the Southland Royalty Company Gulf Federal Well No. 1, located in Unit D of Section 20, Township 25 South, Range 35 East, NMPM. It was completed in the Wolfcamp formation on March 28, 1968. The top of the perforations is at 13,466 feet.

(4) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Pennsylvanian formation, said pool to bear the designation of West King-Pennsylvanian Pool. Said West King-Pennsylvanian Pool was discovered by the Southwest Production Corporation Harmon Well No. 1, located in Unit M of Section 5, Township 14 South, Range 37 East, NMPM. It was completed in the Pennsylvanian formation on February 27, 1968. The top of the perforations is at 11,399 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Drinkard formation, said pool to bear the designation of East Warren-Drinkard Pool. Said East Warren-Drinkard Pool was discovered by the Mobil Oil Corporation New Mexico "F" Well No. 1, located in Unit D of Section 36, Township 20 South, Range 38 East, NMPM. It was completed in the Yeso formation on August 2, 1960. The top of the perforations is at 6933 feet.

(6) That there is need for the deletion of certain acreage from the Warren-Drinkard Pool, Lea County, New Mexico, inasmuch as it has been determined that said deleted area constitutes a separate source of supply and has been designated as the East Warren-Drinkard Pool.

(7) That there is need for the deletion of certain acreage from the Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, in order that the deleted acreage may be included in the Vada-Pennsylvanian Pool.

(8) That there is need for the consolidation of the Simanola-Pennsylvanian Pool and the Vada-Pennsylvanian Pool, Lea County, New Mexico, inasmuch as both pools produce from a common source of supply. Said consolidation should be accomplished by the abolishment of the Simanola-Pennsylvanian Pool and extension of the Vada-Pennsylvanian Pool.

(9) That there is need for certain extensions to the Flying "M"-San Andres Pool and the Vada-Pennsylvanian Pool, both in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production is hereby created and designated as the Sulimar-Queen Pool, consisting of the following-described area:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 24: NE/4 NE/4

That the discovery well for said pool, Jack M. McClellan's Lisa "C" Federal No. 1, located in Unit A of Section 24, Township 15 South, Range 29 East, NMPM, is hereby authorized an oil discovery allowable of 10,155 barrels to be assigned to said well at the rate of 14 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations;

PROVIDED HOWEVER, that should subsequent development prove that the subject well has not discovered a separate common source of supply, all bonus discovery allowable remaining unproduced at such time shall be cancelled.

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the Dogie Draw-Wolfcamp Pool, consisting of the following-described area:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM

Section 20: NW/4

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Pennsylvanian production, is hereby created and designated as the West King-Pennsylvanian Pool, consisting of the following-described area:

TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM

Section 5: SW/4

(d) That a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production, is hereby created and designated as the East Warren-Drinkard Pool, consisting of the following-described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 35: NE/4

Section 36: NW/4

(e) That the Warren-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 25: All
Section 26: All
Section 27: E/2
Section 35: NE/4
Section 36: NW/4

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM

Section 30: S/2

(f) That the Flying "M"-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM

Section 33: SE/4

(g) That the Simanola-Pennsylvanian Pool in Lea County, New Mexico, consisting of the following-described area:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 16: SW/4
Section 17: E/2
Section 20: All
Section 21: NW/4

is hereby abolished.

(h) That the Inbe Permo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 18: SW/4

(i) That the Vada-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM

Section 8: SE/4

-5-

CASE No. 3836

Order No. R-3472

(i) - Continued from Page 4 -

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 4: SW/4

Section 5: SE/4

Section 7: All

Section 8: All

Section 16: SW/4

Section 17: All

Section 18: All

Section 20: All

Section 21: NW/4

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, contractions, and extensions included herein shall be September 1, 1968.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

S E A L

esr/

VADA-PENNSYLVANIAN POOL
Lea County, New Mexico

Order No. R-3179-A, Adopting Temporary Operating Rules for the Vada-Pennsylvanian Pool, Lea County, New Mexico, October 15, 1967.

Order No. R-3179-A supersedes Order No. R-3179, adopting temporary operating rules for the field.

Order No. R-3179-B, September 12, 1968, makes permanent the rules adopted in Order No. R-3179-A.

Special depth bracket allowable of 382 barrels per day established as top unit allowable, Order No. R-4429, October 27, 1972.

Application of Midwest Oil Corporation for an amendment to Order No. R-3179, Lea County, New Mexico.

CASE NO. 3513
Order No. R-3179-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a. m. on September 27, 1967, at Santa Fe, New Mexico before Examiner Elvis A. Utz.

NOW, on this 4th day of October, 1967, 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-3179, dated January 18, 1967, temporary Special Rules and Regulations were promulgated for the Vada-Pennsylvanian Pool, Lea County, New Mexico, providing for 80-acre spacing units, limited well locations, and an 80-acre proportional factor of 4.77 for allowable purposes, and providing that said temporary rules be reconsidered at an examiner hearing to be held in January, 1968.

(3) That the applicant, Midwest Oil Corporation, seeks amendment of the temporary Special Rules and Regulations promulgated by Order No. R-3179 to provide for 160-acre spacing units and the establishment of a 160-acre proportional factor of 4.77 for allowable purposes.

(4) That the applicant also seeks to have said rules and regulations, as proposed, made permanent.

(5) That the evidence presented indicates the establishment of 160-acre spacing units and a 160-acre proportional factor of 4.77 in the Vada-Pennsylvanian Pool for a temporary period of one year only is warranted.

(6) 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 temporary Special Rules and Regulations promulgated by Order No. R-3179 should be amended to provide for 160-acre spacing units and the establishment of a 160-acre proportional factor of 4.77 for allowable purposes.

(7) That the temporary Special Rules and Regulations promulgated by Order No. R-3179, as amended by this order, should continue in effect for a period of one year from the effective date of this order to allow the operators in the subject pool to gather additional reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(8) That this case should be reopened at an examiner hearing in September, 1968, at which time the operators in the subject pool may appear and show cause why the Vada-Pennsylvanian Pool should not be developed on less than 160-acre spacing units and to show cause why the 160-acre proportional factor of 4.77 assigned to the subject pool should or should not be retained.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Vada-Pennsylvanian Pool, Lea County, New Mexico, promulgated by Order No. R-3179, are hereby amended to read in their entirety as follows, effective October 15, 1967:

**SPECIAL RULES AND REGULATIONS
FOR THE
VADA-PENNSYLVANIAN POOL**

RULE 1. Each well completed or recompleting in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Pennsylvanian 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 proportional factor of 4.77 for allowable purposes, 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.

(VADA-PENNSYLVANIAN POOL - Cont'd.)

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian 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 October 15, 1967.

(2) That each well presently drilling to or completed in the Vada-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof shall, after October 15, 1967, receive an allowable in the same proportion to a standard 160-acre allowable for the pool as the acreage presently dedicated to the well bears to 160 acres, until Form C-102 dedicating 160 acres to the well has been filed with the Commission, or until a non-standard unit containing less than 160 acres has been approved.

(3) That this case shall be reopened at an examiner hearing in September, 1968, at which time the operators in the subject pool may present the results of interference tests and other pertinent evidence to show cause why the subject pool should not be developed on less than 160-acre spacing units and to show cause why the 160-acre proportional factor of 4.77 assigned to the subject pool should or should not be retained.

(4) That Order No. R-3179 entered by the Commission on January 18, 1967, is hereby superseded.

(5) 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.

STATELINE-ELLENBURGER POOL
(Allowable Assignments Extended)
Lea County, New Mexico

Order No. R-2943-A, Extending the Allowable Assignment Provisions of Order No. R-2943 for the Stateline-Ellenburger Pool, Lea County, New Mexico, January 18, 1967.

In the Matter of Case No. 3277 Being Reopened by the Oil Conservation Commission on its Own Motion to Consider the Necessity for the Continuance of the Special Allowables Assigned to Wells in the Stateline-Ellenburger Pool, Lea County, New Mexico.

CASE NO. 3277
Order No. R-2943-A

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on January 4, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of January, 1967, 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-2943, dated August 6, 1965, the Commission established the top unit allowable for wells on a standard proration unit in the Stateline-Ellenburger Pool, Lea County, New Mexico, as 330 barrels of oil per day so long as a discovery allowable remained in effect in the Texas portion of the pool.

(3) That said Order No. R-2943, also provided that upon discontinuance of the discovery allowable in the Texas portion of the pool, the top unit allowable for wells in the Stateline-Ellenburger Pool, Lea County, New Mexico, would be determined in accordance with Rule 505 of the Commission Rules and Regulations.

(4) That the discovery allowable is still in effect in the Texas portion of said pool and will remain in effect until on or about May 2, 1967.

(5) That the allowable provisions of Order No. R-2943 should be continued in effect through April 30, 1967.

(6) That effective May 1, 1967, the top unit allowable for wells in the subject pool should be determined in accordance with Rule 505 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the allowable provisions of Order No. R-2943 are hereby continued in effect through April 30, 1967.

(2) That effective 7:00 a.m. May 1, 1967, the top unit allowable for wells in the Stateline-Ellenburger Pool, Lea County, New Mexico, shall be determined in accordance with Rule 505 of the Commission Rules and Regulations.

(3) 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.

NORTHEAST BAGLEY-WOLFCAMP POOL
Lea County, New Mexico

Order No. R-3184, Adopting Temporary Operating Rules for the Northeast Bagley-Wolfcamp Pool, Lea County, New Mexico, February 1, 1967.

Order No. R-3184-A, February 12, 1968, makes permanent the rules adopted in Order No. R-3184.

Application of Southern Natural Gas Company
for Special Rules, Lea County, New Mexico.

CASE NO. 3520
Order No. R-3184

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on January 25, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

119239643

New Mexico Oil Conservation Division---Enginerring Bureau
Administrative Application Process Documentation

Date Application Received: 7-10-01

Date of Preliminary Review: 7-30-01
(Note: Must be within 10-days of received date)

Results: ✓ Application Complete Application Incomplete

Date Incomplete Letter Sent: NA

Deadline to Submit Requested Information: NA

Phone Call Date: NA
(Note: Only applies if requested data is not submitted within the 7-day deadline)

Phone Log Completed? Yes No

Date Application Processed: 7-30-2001

Date Application Returned: NA
(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)