## Brooks, David K., EMNRD

From:

Brooks, David K., EMNRD

Sent:

Monday, November 21, 2011 5:21 PM

To: Subject: 'kklein@yatespetroleum.com' Belco AIA Fed #6; NSP Application

Dear Mr. Klein

This application must be set for hearing because OCD Rule 15.11.B(2) authorizes the granting of non-standard proration units administratively only if, in the case of pools spaced on 80 acres as this one is, the proposed non-standard unit is entirely within one spacing unit.

I am accordingly directing the Division Administrator (Ms. Florine Davidson) to set this application for hearing.

Sincerely

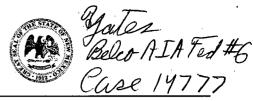
David K. Brooks Legal Examiner 10-20-11 Suspense Engineer DB LOGGED IN 10-21-11 Type NSP APP NO. 1/2945-7961

ABOVE THIS LINE FOR DIVISION USE ONLY

### NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [PC-Pool Commingling] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication ☐ NSL 🔀 NSP 🗌 SD Check One Only for [B] or [C] Commingling - Storage - Measurement  $\square$  DHC  $\square$  CTB  $\square$  PLC  $\square$  PC  $\square$  OLS  $\square$  OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C]☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR [D] Other: Specify [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply [A] Working, Royalty or Overriding Royalty Interest Owners Offset Operators, Leaseholders or Surface Owner [B] [C] Application is One Which Requires Published Legal Notice [D]Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office For all of the above, Proof of Notification or Publication is Attached, and/or,  $\{E\}$ [F] Waivers are Attached SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE [3] OF APPLICATION INDICATED ABOVE. **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Title Date

Kklein @ yatespetroleum.com
e-mail Address Print or Type Name Signature

DISTRICT I 1625 N. Franch Dr., Hobbs, NM 58240

DISTRICT II 1301 W. Grand Avenus, Artesia, NM 58210

# State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised October 15, 2009

Submit one copy to appropriate District Office

#### DISTRICT III 1000 Rio Brazos Rd., Asteo, NM 87410

DISTRICT IV 1220 S. St. Francis Dr., Santa Fe. NM 87505

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## OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

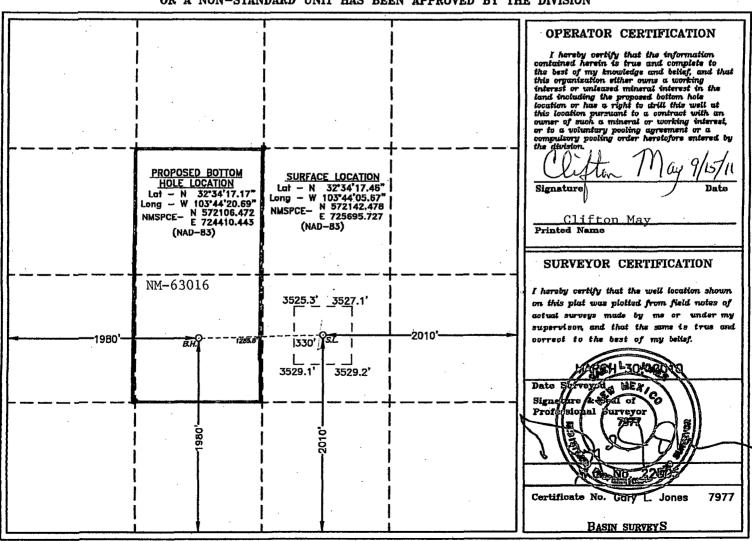
WELL LOCATION AND ACREAGE DEDICATION PLAT

Santa Fe, New Mexico 87505

MENDED REPORT

API Number				Pool Code		Pool Name			
			Salt Lake Delawa					are	
Property Code		Property Name						Well Number	
		<u> </u>	BELCO "AIA" FEDERAL					6	
OGRID No.		Operator Name						Elevation	
025575		YATES PETROLEUM CORP.						3529'	
					Surface Loc	ation			
UL or lot No.	Section	Township	Renge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	14	20 S	32 E		2010	SOUTH	2010	EAST	LEA
			Bottom	Hole Loc	ation If Diffe	rent From Sur	face		<del></del>
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	14	20 S	32 E		1980	SOUTH	1980	WEST	LEA
Dedicated Acre	Joint o	r Infill Co	nsolidation (	Code Ord	ler No.			I	I

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



MARTIN YATES, III 1912-1985

FRANK W. YATES 1936-1986

> S.P. YATES 1914-2008



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

JOHN A. YATES

JOHN A. YATES JR.

SCOTT M. YATES

JAMES BROWN

JORGE S. MENDOZA
CHIEF ADMINISTRATIVE OFFICER

October 19, 2011

Attn: David Brooks New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Care 14777

Re:

Application for Administrative Approval of Non-Standard Spacing Unit, Lea County, New Mexico

Dear Mr. Brooks:

Pursuant to 19.15.15.11.B paragraph 2(a) Yates Petroleum Corporation ("Yates") hereby requests administrative approval by the director for a non-standard spacing unit for the SENW and NESW of Section 14, Township 20 South, Range 32 East, Lea County New Mexico to be dedicated to Yates' Belco "AIA" Federal #6 well.

Enclosed please find Form C-102 showing the well location and requested acreage dedication, as well as a completed Administrative Application Checklist. All offsetting acreage is owned and operated in the same interests as the subject well, therefore no notifications are required.

Please direct any questions to me at the letterhead address or by calling me direct at 575-748-4332. Thanks you.

Sincerely,

YATES PETROLEUM CORPORATION

Kevin Klein

Landman Property of the Community of the

 $Enclosure(s)^{\lambda/(s)} = \sum_{i=1}^{k} (\lambda/(s)^{\lambda/(s)} + \lambda/(s)^{\lambda/(s)} + \lambda/(s)^{$ 

Case No. 1977: Application of Yates Petroleum Corporation for Approval of a Non-Standard Spacing and Proration Unit, Lea County, New Mexico. Yates Petroleum Corporation has applied for approval of a non-standard 80-acre oil spacing and proration unit in the Salt Lake; Delaware Pool, comprising the SE/4 NW/4 and NE/4 SW/4 of Section 14, Township 20 South, Range 32 East, NMPM in Lea County. This location is approximately 30 miles west of Hobbs, New Mexico.