

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Monday, November 21, 2011 5:21 PM
To: 'kklein@yatespetroleum.com'
Subject: 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 DATE IN	SUSPENSE	ENGINEER DB	LOGGED IN 10.21.11	TYPE NSP	APP NO. 1129452961
---------------------	----------	-------------	--------------------	----------	--------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



Yates
Belco AIA Fed #6
Case 14777

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]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☒ NSP ☐ SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
- [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☒ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kevin Klein
 Print or Type Name

Kevin Klein
 Signature

Landman
 Title

10/19/2011
 Date

kklein @ yatespetroleum.com
 e-mail Address

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Bravo Rd., Artec, NM 87410

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
		Salt Lake Delaware
Property Code	Property Name	Well Number
	BELCO "AIA" FEDERAL	6
OGRID No.	Operator Name	Elevation
025575	YATES PETROLEUM CORP.	3529'

Surface Location

UL or lot No.	Section	Township	Range	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 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
K	14	20 S	32 E		1980	SOUTH	1980	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

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

<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°34'17.17" Long - W 103°44'20.69" NMSPCE- N 572106.472 E 724410.443 (NAD-83)</p> <p>SURFACE LOCATION Lat - N 32°34'17.45" Long - W 103°44'05.67" NMSPCE- N 572142.478 E 725695.727 (NAD-83)</p> <p>NM-63016</p> <p>1980' 1255.6'</p> <p>3525.3' 3527.1'</p> <p>1330'</p> <p>3529.1' 3529.2'</p> <p>1980'</p> <p>2010'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clifton May</i> 9/15/11 Signature Date</p> <p>Clifton May Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DATE SURVEYED: MARCH 30, 2010 Signature & Seal of Professional Surveyor GARY L. JONES Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

MARTIN YATES, III

1912-1985

FRANK W. YATES

1936-1986

S.P. YATES

1914-2008



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

JOHN A. YATES
CHAIRMAN OF THE BOARD

JOHN A. YATES JR.
PRESIDENT

SCOTT M. YATES
VICE PRESIDENT

JAMES S. BROWN
CHIEF OPERATING OFFICER

JOHN D. PERINI
CHIEF FINANCIAL OFFICER

JORGE S. MENDOZA
CHIEF ADMINISTRATIVE OFFICER

RECEIVED OGD

2011 OCT 20 4:12:06

October 19, 2011

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

Case 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

Enclosure(s)

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

Case No. 14777: **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.