



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Yates Petroleum Corporation

Sincerely,
B. L. Lewis

Other _____

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

RECEIVED

FEB 2 1985

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
YATES PETROLEUM CORPORATION FOR AN
UNORTHODOX OIL WELL LOCATION, LEA
COUNTY, NEW MEXICO.

Case 8503

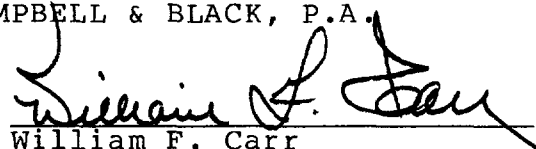
ENTRY OF APPEARANCE

Comes now, CAMPBELL & BLACK, P.A., and hereby enters its
appearance in the above-referenced cause for Yates Petroleum
Corporation.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By


William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

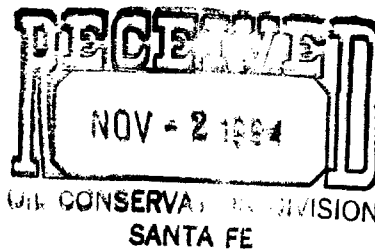
(505) 988-4421

ATTORNEYS FOR YATES PETROLEUM
CORPORATION



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331



S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

October 31, 1984

Case 8503

Mr. Richard L. Stamets, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

RE: Kochia "AAM" State #1
990' FSL & 2310' FEL
Section 35-15S-36E
Lea County, New Mexico

Dear Mr. Stamets:

Enclosed is the geological information on the deepening of the above referenced well as promised in the letter to you of October 25, 1984, by our Cy Cowan (copy enclosed). This well is presently being deepened to approximately 13750' into the Devonian formation.

Thank you for your cooperation.

Sincerely,

Norbert T. Rempe
Geologist

NTR:rj

Enclosures

cc: Supervisor of the Hobbs office of New Mexico Oil
Conservation Division



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

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S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

October 25, 1984

Mr. Joe Ramey, Secretary Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 8503

Re: Kochia "AAM" State #1
990' FSL and 2310' FEL
Section 35-T15S-R36E
Lea County, New Mexico

Dear Mr. Ramey:

Yates Petroleum Corporation would appreciate an administrative approval for a proposed unorthodox Devonian oil well location as provided for under NMOCD Rule 104F. This well is presently being drilled to a depth of 11,700' into the Strawn formation. TD in the Devonian will be approximately 13,750'. Verbal approval was given Yates to continue drilling to the Devonian by Mr. Mike Stogner of NMOCD 10/23/84.

We would like this unorthodox location approved for geologic reasons. Information will be sent to you under a different cover immediately.

Enclosed is a copy of the lease map showing the offset operators. The offsetting operators (Atlantic Richfield) have been notified of our intentions by certified mail, via a xerox copy of this letter.

Thank you for your help in this matter.

Sincerely,

YATES PETROLEUM CORPORATION

Cy Cowan
Cy Cowan
Regulatory Agent

CC/ps
Enclosure

xc: Atlantic Richfield

GEOLOGICAL INFORMATION PERTAINING TO THE APPLICATION
FOR ADMINISTRATIVE APPROVAL OF THE PROPOSED
UNORTHODOX LOCATION OF
YATES PETROLEUM CORPORATION'S

KOCHIA "AAM" STATE #1

Yates Petroleum Corporation requests approval for deepening its No. 1 Kochia "AAM" State to the Devonian at an unorthodox oil well location. This well has been drilled 990 feet from the South line and 2310 feet from the East line of Section 35, Township 15 South and Range 36 East, to the Strawn formation. The West half of the southeast quarter of Section 35 is dedicated to the well. The southwest quarter of the southeast quarter of Section 35 would be dedicated to a Devonian well.

Exhibit No. 1 is a land plat showing the well location and its relationship to the surrounding acreage. Yellow denotes acreage in which Yates has full or partial interest in operating rights.

Exhibit No. 2 is a combined structure map, with dotted contours indicating Strawn elevation and solid contours denoting Devonian structure.

Within the subject proration unit, outlined in red, Strawn as well as Devonian structure reaches its peak toward the West. Strawn structure seems superimposed on older Devonian structure. It is therefore assumed that, where the Strawn is found in a structurally advantageous position, the Devonian structure will be equally, if not even more, favorable.

Yates's No. 1 Kochia "AAM" State intersected the Strawn formation at -7573 feet. This makes the Kochia, together with V-F Petroleum's No. 1 Arco State, the highest Strawn test in the field. The No. 1 Arco State was continued to, and completed, in the Devonian on February 17, 1981, at IPP 138 BOPD plus 32 BW.

In the proposed deepening, it is anticipated that the borehole will encounter the Devonian porosity interval sufficiently structurally high to contain economic volumes of recoverable oil.

Exhibit No. 3 is a West to East cross-section through the well to be deepened, showing the structurally high position of both, Strawn and Devonian formations. Yates intends to drill deep enough to penetrate the Devonian porosity zone and to fully evaluate the remaining potential of the subject proration unit.

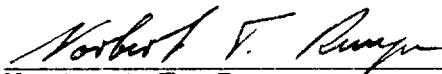
STATEMENT OF QUALIFICATION

The undersigned earned his B. S. degree in geology from the University of Muenster, Germany, in 1970, and his M. S. degree in geology from the Technical University, Berlin, Germany, in 1974. He did post graduate work at the South Dakota School of Mines and Technology in Rapid City, South Dakota, and passed the comprehensive exam in preparation for a PhD.

After 4 years of professional work in coal exploration and mining, he worked for 3 years as a mine geologist for International Minerals and Chemical Corporation's Carlsbad potash operation.

For over two years now he has worked as a petroleum geologist for Yates Petroleum Corporation in Artesia. His chief area of interest has been Lea County, where he has been responsible for wells drilled to various formations, mainly the Pennsylvanian.

He is a member of many professional associations, among them AAPG, GSA, NMGS and RGS.



Norbert T. Rempe

rj

10/23/84

2:15 PM

Memo

From

MICHAEL STOGNER

Petroleum Engineer

To ~~Richard L. Starnitz~~

*Yates Petroleum
called and is presently
on location*

990' FSL - 2310' FEL - 35 - 165 - 36E

- wants to drill down to Devonian formation. (OK)*
- will file for NSL later*

Devonian



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

[Handwritten signature]
[Handwritten signature]

October 25, 1984

Mr. Joe Ramey, Secretary Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Case 8503

Re: Kochia "AAM" State #1
990' FSL and 2310' FEL
Section 35-T15S-R36E
Lea County, New Mexico

Dean Devonian Pool

Dear Mr. Ramey:

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Thank you for your help in this matter.

Sincerely,

YATES PETROLEUM CORPORATION

Cy Cowan

Cy Cowan
Regulatory Agent

CC/ps
Enclosure

xc: Atlantic Richfield

LOYINGTON

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.

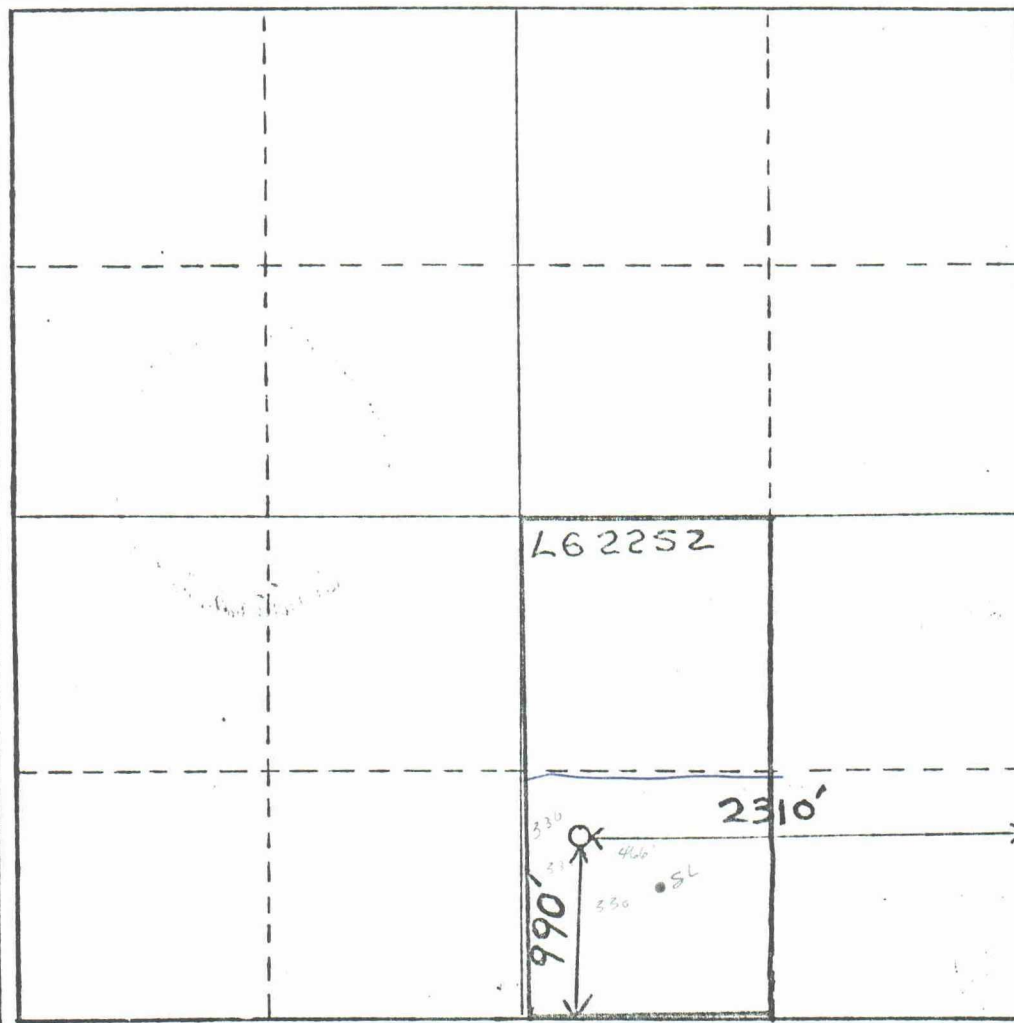
Operator YATES PETROLEUM CORPORATION			Lease Kochia "AAM" State		Well No. 1
Unit Letter 0	Section 35	Township 15 South	Range 36 East	County Lea	
Actual Footage Location of Well: 990' feet from the South line and 2310' feet from the East line					
Ground Level Elev. 3855.1 GL	Producing Formation Bough "C"		Pool Dean Permo 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.

Cy Cowan

Name
Cy Cowan

Position
Regulatory Agent

Company
YATES PETROLEUM CORPORATION

Date
September 10, 1984

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.

9-3-84
Date

Registered Professional Engineer
and Land Surveyor

3640

Certified

REGISTERED LAND SURVEYOR

**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.

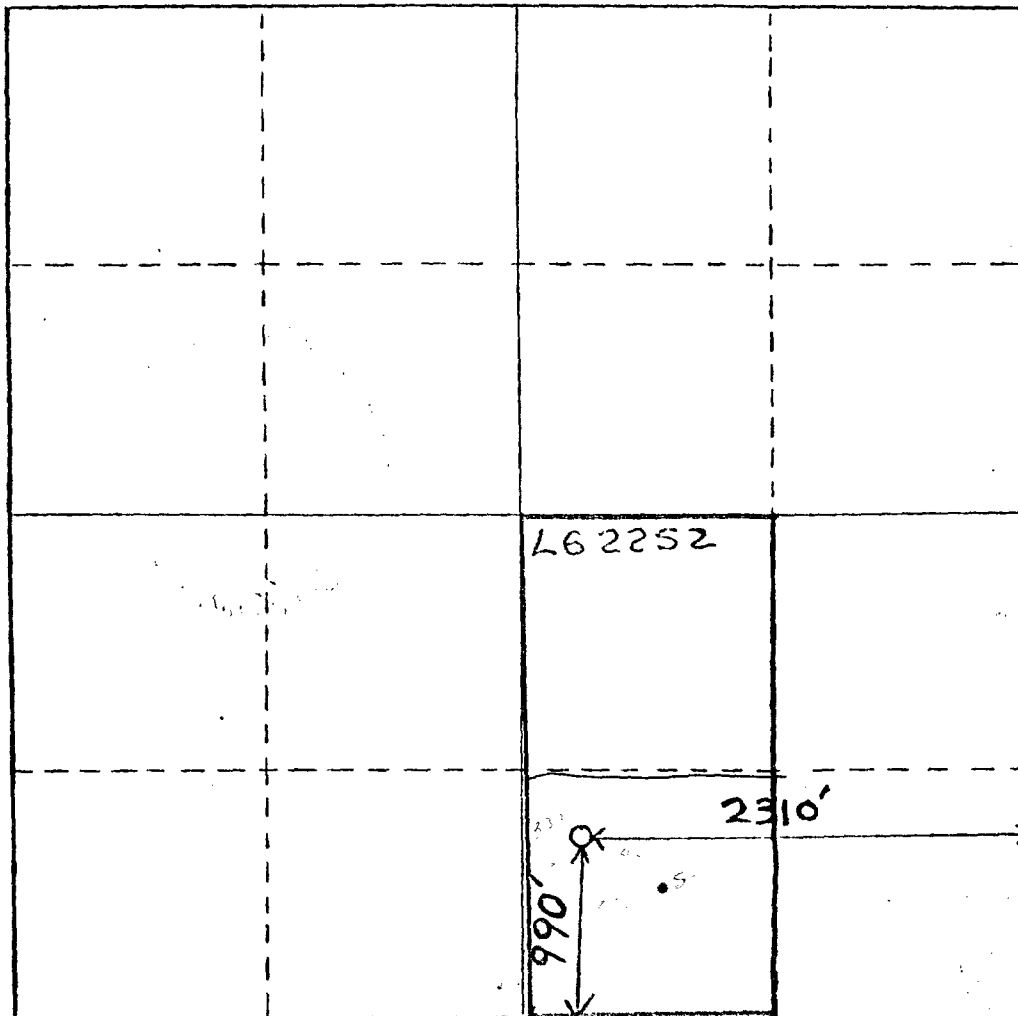
Operator YATES PETROLEUM CORPORATION			Lease Kochia "AAM" State		Well No. 1
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Cy Cowan
Name

Cy Cowan

Position

Regulatory Agent

Company

YATES PETROLEUM CORPORATION

Date

September 10, 1984

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.

9-3-84
Date Surveyed

Registered Professional Engineer and Land Surveyor

L. JONES
3640

[Signature]
Certified by REGISTERED LAND SURVEYOR

P 553 354 812

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517

PS Form 3800, Feb. 1982

Sent to Atlantic Richfield Co.	
Street and No. P. O. Box 1610	
P.O., State and ZIP Code Midland, TX 79702 Attn: Allen Harvey	
Postage	\$
Certified Fee	.20
Special Delivery Fee	.75
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	.60
TOTAL Postage and Fees	\$1.55
Postmark or Date October 25, 1984	