

#### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

TONEY ANAYA GOVERNOR April 11, 1985

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

Mr. William F. Carr Campoell and Black Attorneys at Law Post Office Box 2208 Santa Fe, New Mexico	Re:	CASE NO. 8503 ORDER NO. R-7370 Applicant: Yates Petroleum Corporation
Dear Sir:		
Enclosed herewith are two Division order recently Sincerely,  R. L. STAMETS  Director		s of the above-referenced in the subject case.
RLS/fd		
Copy of order also sent	to:	
Hobbs OCD x Artesia OCD x Aztec OCD		
Other		

#### BEFORE THE

#### OIL CONSERVATION DIVISION

RECEIVED NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

FED 8 1895

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

OIL CONSERVATION DIVISION

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

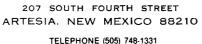
William F. Carr

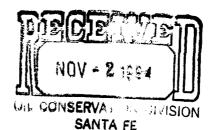
Post Office Box 2208 Santa Fe, New Mexico 87501

(505) 988-4421

ATTORNEYS FOR YATES PETROLEUM CORPORATION







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

October 31, 1984

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

Case 8503

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

Norbest V. Kungu

Geologist

NTR:rj

Enclosures

Supervisor of the Hobbs office of New Mexico Oil

Conservation Division



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 748-1331

October 25, 1984

Mr. Joe Ramey, Secretary Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 Case 8503

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT

B. W. HARPER SEC.-TREAS.

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 Cawan

Regulatory Agent

CC/ps Enclosur

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 struture 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 formation, mainly the Pennsylvanian.

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

Norbert T. Rempe

rj

## Memo

From
MICHAEL STOGNER

Petroleum Engineer

To Richard K. Stamets

Valer Petroleum
called and is presently
on beatin

990'F5L-2310'FEL-35-165-36E

-wante to drill down to Devonion

formation. (OK)

- will file for NSL later

Devouein

Oil Conservation Santa Fe, New Mexico



207 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

October 25, 1984

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

MARTIN YATES, III
VICE PRESIDENT

JOHN A. YATES
VICE PRESIDENT

B. W. HARPER
SEC.-TREAS.

Case 8503

Re: Kochia "AAM" State #1 990' FSL and 2310' FEL Section 35-T15S-R36E

Lea County, New Mexico

Dean Devenian Pool

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

Regulatory Agent

CC/ps Enclosure

xc: Atlantic Richfield

E SECTION OF THE SECT	3.6 Land	626	76-14-14-14-14-14-14-14-14-14-14-14-14-14-	4.30.64 6.7. D. Go	25. 54 2 2. 2. 3. 3. 3. 3. 3. 3. 3. 3. 3. 3. 3. 3. 3.
DA. K.	Mailard	State	Daris V. Retliff haling J. V. Reed 14 Min Tos. and Hamilton 12:6:83 10:27:82	4.50.84 2.5.84 2.5.84 7.6.84 7.6.84 7.6.84 5.25.84 5.25.84 5.25.84 5.25.84 5.25.84	T-944 5-84 5-84 Training
O Y Z	HAWITED BEST	SECTION SECTION		1	3
	B3 SEC		n. 0 83.77.83 20 20	Share Sha Share Share Share Share Share Share Share Share Share Share Sha Sha Sha Share Sha Sha Sha Sha Sha Sha Sha Sha Sha Sha	Josef St
And Small Food	CHAVES LOVINGTON ADDN 8	12. 15. 63 12. 15. 63 12. 15. 62 12. 15. 62 12. 15. 63 12. 15. 63 12. 15. 63 13. 15. 63 14. 15. 63 15. 15. 63 16. 16. 15. 15. 15. 15. 15. 15. 15. 15. 15. 15	Graffin EBurnett guer Res 12 28 98 12 28 98 12 28 98 12 28 98 12 28 12 28 12 28 13 27 28 14 83 15 27 28 14 83 15 27 28 14 83 16 28 18 18 18 18 18 18 18 18 18 18 18 18 18	189-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-	Superior Sup
	A SANGO CO	3-	E # # # # # # # # # # # # # # # # # # #	***	11.
D. M. CHOOK S. L. M.	R. Daughtry  State 322	G.A. Fisher W.J.Hopkins MTS C.B. Reed Abstance Abstance Pg. "19,"	E.B. Porsons(5)  HMG 12:2986 11:3:66 11:5:66 1	Booty, Back	The House of the Party of the P
Marily Sylventy Andrews Andrew	Binks Tr. M.I. Flee	W = - 10	R.L. Byrundon, H.M.G. H.T. Byrundon, H.M.G. H.T. B.G. H.	4 20 8 7 11-17-86 87 11-17-86	
Trains 2	the second secon	J. B. Selman	Manager Hard Market Mar	# # # # # # # # # # # # # # # # # # #	
Minnie Marie	Amero 8-26-8 9-16-8	Doncomes 2 327.96  Doncomes 2 327.96  Surface Div. (5 18.86)	Control of	STAN ON THE PARTY OF THE PARTY	(Mohil) (Mohil
2325	N . O & W TO	1 1 0 0 WD 00	January Dwell 2.4. pc. 3.5.83 1.5.83 1.5.85 3.5.5.5 3.5.5	(Shell) (GA: L-214 AKTrobauch Bough AKTrobauch Bough Morros  M	Pine Greathon  Address Greathon  Service Pine Pine Pine Pine Pine Pine Pine Pin
Getty Oil May Store Stor	American P. J. R. S. O. R. S. S. O. R. S. S. O. R. S. O. R. S. O. R. S. O. R. S. O.	6 56 93PI	2:4-85 2:8-85 2:8-85 2:8-85 2:8-85 77	214 214 214 214 214 214 214 214 214 214	Greathbuse stal
City	es (cy S. Lowe, eral, MI	HAMBER AND THE PROPERTY OF THE	Marben Dorris,  Marben Dorris,  Marben Dorris,  Marben Dorris,  CLA  Chas L. Apply  Leonary M.  Leonar	FB Grehome 37	
M A A A A A A A A A A A A A A A A A A A	All Blood	M.E. Hand, et al (5)	22 - C.L.	MAN SEAN	
5 0	5772 B		19.2 HNG 17.28.6 11.19.86 11.19.86 11.19.86 11.19.86 11.19.86 11.19.86 12.20.86 14.06	#15-65 2-26-65 1-31-83 Fronklin, k5 M.I.  Ethel Grohom 4 Frenklin 5 1-18-4 6-10-10d Expl. 5 1-18-6 6-12-8-6 11-19-6-5m.T.  Leeman Janes	Haben-Davis, etal
Andress Sharing Sharing	RCO-57-356	Mobil V-303 Mobil	Alexander set All Arribes (S)  Leeman Janes (S)  Sold (Leeman Janes)  Sold (Leeman Janes)  Sold (Leeman Janes)  Sold (Leeman Janes)	MR Young 10. 1. 88 3 16. 15. 168 13 16. 168 13 16. 168 15. 16. 18 16. 16. 16. 16. 16. 16. 16. 16. 16. 16.	= 50
Andrewson Market ARCO Series A	ARC	Belco 2 V-303 Sincking (Sincking of Para) Para 26 - Fearant (Para) Francisco (Para) Francis	Maria M. Amore S. 2.3 L. E. S. 2.16 L. S. 2.	Stoling U	200000
A A C THAT HE PARTY TO THE PART	State	(Sin claim)  (Sin claim)  (Part 1 1556±  (Sin claim)  (Part 1 1556±  (Part 1 1556		M.R. Young LG-5771 66 TS EFIORIGE EXP.  STORIGE EXP.  Union Texas EFIORIGE EXP.  Alternative and M.R. Young Ethel Grahem. S. 9 - 15 - 16 - 16 - 16 - 16 - 16 - 16 - 16	(4.000) (4.000) (4.000) (4.000) (4.000) (4.000)
WAA	25.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.5.			Union TAME Young A FIGE Expl 6 - 5 - 83 8 - 20 - 84 8	S. T. Co.
Ger Games	Store 200	Votes S. 1.84 V-187 3:823 Phillips 12.11.63 13.11.6	Col-Man Milkbung (Col-Man Milkbung) (Col-Man Milkbu	MARYoung 6 - 5 - 83 6 - 5 - 83 R.L. Byrrachi 13 8-10-1	3-11-05 F.N. WE. S.S. T. 100.
W. A. Marche 1 10 10 10 10 10 10 10 10 10 10 10 10 1	Jerry C. Bob Dean(s)  Ontes (c) february  Onte	1.000 1.000	Di-Han MiRitioned   Di-Han His   Di-Han Hi	MR Young 2: 37.83 2: 37.83 2: 37.83 4. 107es 4. 3.87 3.26.95 3.11.85 Mory Rush McCrery	F. M. Late  W.E. Scatt  1-10-86  2
American Loud Christian Control Contro	Wm Rest Dean	H.E. Yotes 1. 2. 84 Jasis Manifilm, M.I. BODDEN ETOLINI, LESSING ETOLINI ETOLINI, LESSING E		9	7 7 7
	6 W	7			Corp. A. M.
See Ac. Expl. (a) Expl. (a) Expl. (a) Expl. (a) Expl. (a) Expl. (b) Expl. (c) Expl. (c	Otto Dean W.H. Short, 15-11-77 129428	F.F. Davis		HNG Tionel Benny Burns A. Grey	Alpina Zietti E 10 - 66 E
Valle 1998	Stat	Marian Comments of the Party of	The state of the s	Lionel Burns	
A State   State	32 X	2977		S 1651 1651 1651 1651 1651 1651 1651 165	Apha 2 etcl Apha

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

		All distances must be f	rom the oute	r boundaries of	the Section.		
Operator			Lease				Well No.
YATES PETROLEUM CORPORATION			Kochia "AAM" State				. 1
Unit Letter	Section	Township	Range		County		
0	35	15 South	36	East	1	ea 	
Actual Footage Loc		South	2310'			East	
Ground Level Elev.	feet from the Producing For	line and	Pool	fee	t from the	Last	line
3855.1 GL	Bough "			n Permo Pe	enn		Dedicated Acreage: 80 Acres
1 O di- a dh			all by asl	and non-sil a	n hankuna	manka an th	
1. Outline in	e acreage dedica	ted to the subject w	in by con	ored penetr o	паспите	marks on ti	re plat below.
	nan one lease is nd royalty).	dedicated to the wel	l, outline	each and ide	ntify the o	ownership t	hereof (both as to working
0.16	1		1 1: 1		1		
		illerent ownership is initization, force-pool		to the well,	have the	nterests of	all owners been consoli-
dated by c	ommunitization, u	mittization, force-poor	ng. etc:				
Yes	No If an	nswer is "yes," type	f consolic	lation			
	. 44 .0 1. 1						
If answer	is "no," list the f necessary.)	owners and tract desc	riptions w	which have a	ctually bed	en consolid	ated. (Use reverse side of
		ed to the well until al	linterests	have been	a an a alidat	ad (lu sam	munitization, unitization,
							approved by the Commis-
sion.	b, or wener in e,	or and a non-building	a unit, or	aminating Suc	ii microst	s, has been	approved by the dominis-
						T	
	1		j				CERTIFICATION
	i		1		- 1	1 hands	
	ì						rein is true and complete to the
	i					1	y knowledge and belief.
	1		i				
	1		i			Name	
	+	+				Cy Cowa	in .
	1		1		1	Position	
			,			Regulat	cory Agent
	1					Company	
	1 :				1		PETROLEUM CORPORATION
	i					Date Sont only	per 10, 1984
	1					Septem	Jet 10, 1704
	i	7655	52				
	L is				1	I hereby	certify that the well location
	· Vant Train					1	this plat was plotted from field
	;					1	actual surveys made by me or
	i				1		supervision, and that the same
	· i				1		e and belief.
	ì	- 12	2=	10'	1	9-3-8	SEM A
	1	3. 8 40.6			>	Date The	, ed
	1		SL			Fag.	6
	1	2 330				Redistered	Prends Sidnal Engineer
	1	0				00%	L 3040
	i					Zin	3640
	225 225 225 225 2		Carlo and a second			Certificate	RERED LAND
0 330 660	190 1320 1650 191	80 2310 2640 200	0 1500	1000	500 "0		TO TO

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

		All distances must be fro	m the outer boundaries of	the Section.		
Operator		<u> </u>	_ease			Well No.
YATES PETROLI	EUM CORPORAT	" State		1		
	Section	Township	Range	County		<u> </u>
0	35	15 South	36 East	Lea		
Actual Footage Locat				1		
990'		South	2310 <b>'</b>	Ea	ıst	
	reet from the	ine and		et from the		line
Ground Level Elev.	Producing For		Poor Dorma B		Dedic	cated Acreage:
3855.1 GL	Bough "		Dean Permo P	enn		80 Acres
1. Outline the	acreage dedica	ted to the subject wel	l by colored pencil	or hachure ma	rks on the nla	it helow
•	δ	,	, p		ino on the pi	
9 16 ware the	n one lance in	dedicated to the well,	ontline seek and id			£ (1
interest and	I moveltu)	dedicated to the well,	outiline each and ide	entity the owr	tersuip mereo	i (both as to working
interest and	rioyanty).					
0.16 .)	1 61	1. r. r	1 1			
		lifferent ownership is d		have the inte	crests of all	owners been consoli-
dated by co	mmunitization, 1	unitization, force-poolin	g. etc?			
	ASSES A					
Yes [	No If a	nswer is "yes;" type of	consolidation		****	
If answer is	s "no," list the	owners and tract descr	ptions which have a	ctually been	consolidated.	(Use reverse side of
this form if	necessary.)	·		-,		
	-	ed to the well until all	interests hous Las	annualidata 1	Ohn and the	Marking and the st
famond = a.1!	e wiii be assign	or until a non atand1	mit alluiur.	consolidated	(Dy Communi	tization, unitization,
	ng, or otherwise	or until a non-standard	unit, eliminating su	ch interests,	has been appr	oved by the Commis-
sion.						
<u></u>				<del></del>	CEI	TIEICATION
	i	1	i	11	CE	RTIFICATION
	1		İ	11		
1	İ	· ·	i	4 1	I hereby certify	that the information con-
}	i	Í	1	11	tained herein is	true and complete to the
Ì	1			11		aledge and belief.
	1		i			<b>)</b>
1	i	į	!		un	men
		1	!		Varne	
	_ +			11	Cy Cowan	÷
	1	Ì	į	) }	Position	
	<b>1</b>	1	ì	1 1	Regulatory	Agent
1	1		Ì	i 1-	Company	<u> </u>
			į			OLEUM CORPORATION
ı <b>İ</b>			1	1 7	Date PEIK	OPEOU COULOWITON
1	i .		1	1 1	· · ·	10 1006
1	j 1		1	·	September	10, 1904
<b>1</b>	<del>!</del>					
	1	76 555	2	11		
<b>,</b>	L ju			[ ]	I heraby certif	ly that the well location
· •	Section 1			}	shown on this p	lat was plotted from field
	<b>†</b>			11	notes of actua	I surveys made by me or
	1	•				vision, and that the same
1	1	1	j			prect to the best of my
	. 1			11	knowledge and	
			<del></del>	71		1000000
	l l	1,31 _	2310	11	9-3-85EM	MA
	i	î <b>X</b>		7	Date Markiyed	*****
	1	K T .	5.	11	San of	J. C.3
	1	0//		I h	ledistered Press	Slohal Engineer
	1	0		1 1	ind Land Surv	SHAFE &
1 1	t	0	l		Jak P	140/12/
<b> </b>	i		1		ZXaina	
				4	Certificate No.	Was a series
	The same of the sa				RE	
0 330 660 '9	0 1320 1650 19	80 2310 2640 2000	1500 1000	500 0	,	COMPT SK ()

P 553 354 812

### RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED NOT FOR INTERNATIONAL MAIL

(See Reverse)

	(See Reverse)	
	Sent to Atlantic Richfield Co.  Street and No. P. O. Box 1610  P.O., State and ZIP Code Midland, TX 79702 Attn: Harve  Formall Postage  Certified Fee  Special Delivery Fee  Restricted Delivery Fee	<b>3</b>
PS Form 3800, Feb. 1982	Return Receipt Showing to whom and Date Delivered  Return receipt showing to whom, Date, and Address of Delivery  TOTAL Postage and Fees  Postmark or Date	