

## District I

1625 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Ave., Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

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

State of New Mexico  
Energy, Minerals and Natural ResourcesForm C-103  
Revised March 25, 1999OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.

30-005-60615

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

L-4283

7. Lease Name or Unit Agreement Name:

Cottonwood Ranch MK State #1

8. Well No.

1

9. Pool name or Wildcat

Cottonwood Ranch Penn

## SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter B NENW : 660' feet from the FNL line and 1980' feet from the FEL line

Section 36

Township 6S

Range 25E

NMPM

County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

## 11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐PULL OR ALTER CASING ☐MULTIPLE COMPLETION ☐OTHER: Off lease Measurement, Surface/Pool Commingle ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐PLUG AND ☐

ABANDONMENT

CASING TEST AND CEMENT JOB ☐OTHER: ☐

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation respectfully request permission to Surface/Pool Commingle the following (2) wells

Cottonwood Ranch MK State #1

660' FNL &amp; 1980' FWL (Unit B)

Section 36-T6S-R25E

Formation: Cottonwood Ranch Penn

Chaves County, New Mexico

State Lease # L-4283

API # 30-005-60615

Cottonwood Ranch MK State #5

2160' FNL &amp; 330' FEL (Unit H)

Section 36-T6S-R25E

Formation: Pecos Slope Abo

Chaves County, New Mexico

Federal Lease # L-4283

API # 30-005-63448

The Battery is located at the Cottonwood Ranch MK State #1. Please see attached plat and site facility diagram.

Total sales volume will be allocated to individual well based on performed monthly well test.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production.

The purposed of the surface/pool commingling, lease commingling, off lease storage and measurement is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for each well. This will greatly increase costs and shorten the economic life of the well.

The proposed commingling is necessary for economic operation of the above referenced leases.

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

SIGNATURE Mayte Reyes TITLE Production Secretary DATE January 22, 2003Type or print name Mayte Reyes

Telephone No. (505) 748-4213

(This space for State use)

APPROVED BY Accepted for record TITLEDATE MAR 10 2003Conditions of approval, if any: only BBL