

District I
1625 N. French Drive, Hobbs, NM 88240

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

District III
1000 Rio Brazos Road, Aztec, 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-107A
Revised June 10, 2003

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

APPLICATION FOR DOWNHOLE COMMINGLING

APPLICATION TYPE
 Single Well
 Establish Pre-Approved Pools
EXISTING WELLBORE
 Yes No

Yates Petroleum Corporation 105 South Forth Street, Artesia, NM 88210

Operator Address

Tumbledink AVK State Com #1 Unit A - Section 16 - 18S-25E Eddy
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 025575 Property Code 25892 API No. 30-015-31148 Lease Type: Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Atoka Upper Penn, West	Undesignated Eagle Creek Strawn	Undesignated Richard Knob Atoka Morrow
Pool Code	70800	76320	83840
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	7,822-7,880'	7,896-7,908'	8,370-8,588'
Method of Production (Flowing or Artificial Lift)	Flowing	Flowing	Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)			
Producing, Shut-In or New Zone	New Zone	New Zone	
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: New Zone Rates:	Date: New Zone Rates:	Date: 10/10/2005 Rates: 0 BO, 0 BW & 22 MCFD
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas Allocation % will be submitted when completed	Oil Gas Allocation % will be submitted when completed	Oil Gas Allocation % will be submitted when completed

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ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes No

Will commingling decrease the value of production? Yes No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes No

NMOCD Reference Case No. applicable to this well: _____

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE [Signature] TITLE Operations Engineer DATE 11-09-05

TYPE OR PRINT NAME Mike Hill TELEPHONE NO. (505) 748-4219

E-MAIL ADDRESS mhill@ypcnm.com

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OIL CONSERVATION DIVISION
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Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-31148		² Pool Code 76320	³ Pool Name Undesignated Eagle Creek Strawn
⁴ Property Code 25892	⁵ Property Name Tumbledink AVK State Com		⁶ Well Number #1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 3537

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	18S	25E		660	North	660	East	Eddy

¹¹ 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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> Signature Debbie Chavez Printed Name Engineering Technician Title and E-mail Address November 9, 2005 Date
	RECEIVED NOV 14 2005 OOD-ARTESIA			¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-31148		² Pool Code 83840		³ Pool Name Undesignated Richard Knob Atoka Morrow	
⁴ Property Code 25892		⁵ Property Name Tumbledink AVK State Com			⁶ Well Number #1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3537

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-31148		² Pool Code 70800		³ Pool Name Atoka Upper Penn, West	
⁴ Property Code 25892		⁵ Property Name Tumbledink AVK State Com			⁶ Well Number #1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3537

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16					<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature _____</p> <p>Debbie Chavez Printed Name</p> <p>Engineering Technician</p> <p>Title and E-mail Address _____</p> <p>November 9, 2005</p> <p>Date _____</p>
					<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number _____</p>

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The Atoka Upper Penn, West is a new zone and production curves are not available.

The Undesignated Eagle Creek Strawn is a new zone and production curves are not available.

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
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EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

November 10, 2005

Tim Gum
State of New Mexico
OIL CONSERVATION DIVISION
1301 W. Grand
Artesia, New Mexico 88210

Re: Tumbledink AVK State Com #1

Dear Mr. Gum;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Atoka Upper Penn, West, Undesignated Eagle Creek Strawn and Undesignated Richard Knob Atoka Morrow pools in our Tumbledink AVK State Com #1 located in Unit A, of Section 16, Township 18 South, Range 25 East, in Eddy County, NM.

If you have any questions or need additional information, please call me at (505) 748-4219.

Sincerely,

Mike Hill
Operations Engineer

MH/dc

Enclosures

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