

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

Form 3160-5 (June 1990)		UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT		FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993	
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals				5. Lease Designation and Serial No. NM-78213	
SUBMIT IN TRIPLICATE				6. If Indian, Allottee or Tribe Name	
1. Type of Well Oil <input type="checkbox"/> Gas <input type="checkbox"/> <input type="checkbox"/> Well <input checked="" type="checkbox"/> Well <input type="checkbox"/> Other				7. If Unit or CA, Agreement Designation	
2. Name of Operator Yates Petroleum Corporation				8. Well Name and No. Walt Canyon AMA Federal #6	
3. Address and Telephone No. 105 South Fourth Street, Artesia, NM 88210 (505) 7481471				9. API Well No. 30-015-32997	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1865' FNL 2002' FEL (SWNE) Sec 3 T22S R24E				10. Field and Pool, or Exploratory Area Indian Basin/Upper Penn. Assoc.	
				11. County or Parish, State Eddy County, NM	
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION		TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent		<input type="checkbox"/> Abandonment		<input type="checkbox"/> Change of Plans	
<input checked="" type="checkbox"/> Subsequent Report		<input type="checkbox"/> Recompletion		<input type="checkbox"/> New Construction	
<input type="checkbox"/> Final Abandonment Notice		<input type="checkbox"/> Plugging Back		<input type="checkbox"/> Non-Routine Fracturing-	
		<input type="checkbox"/> Casing Repair		<input type="checkbox"/> Water Shut-Off	
		<input type="checkbox"/> Altering Casing		<input type="checkbox"/> Conversion to Injection	
		<input checked="" type="checkbox"/> Other Addition to Off Lease		<input type="checkbox"/> Dispose Water	
		Measurement, Surface/Lease Commingle		(Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)	
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*					
Yates Petroleum Corporation respectfully request administrative approval for the addition to Off Lease Measurement, Surface/Lease Commingle previously filed August 30, 2001.					
Anemone ANE Federal #1, 2, 3, 4, & 5 Sec 9 T22S R24E Eddy County, NM Federal Lease # NM-78214					
Walt Canyon AMA Fed #3, 4, 5, 9 & 6 Sec 3 T22S R24E Eddy County, NM Federal Lease # NM-78213					
The battery is located at the Anemone Federal Battery. Please see attached plat and site facility diagram.					
Oil will be transported off lease prior to measurement and will be measured by positive displacement, temperature compensated metering equipment. Gas will also be measured separately. Total sales volumes will be allocated back to individual wells based on daily well test.					
Working interest owners are identical.					
The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. Estimated daily production for the Walt Canyon AMA Fed #6 is 400 bls of oil, and 1350 mcf.					
The purpose 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.					
We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.					
14. I hereby certify that the foregoing is true and correct Signed <u>Maryte Reyes</u> Title <u>Production Secretary</u>				Date <u>January 14, 2004</u>	
(This space for Federal or State office use) Approved by _____ Title _____ Conditions of approval, if any: _____				Date _____	
				JAN 23 2004 IES BABYAK PETROLEUM ENGINEER	
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.					



105 South 4th Street * Artesia, NM 88210
(505) 748-1471

Wade Bennett - Foreman

January 12, 2004

Sight Security Diagram

Anemone ANE #2 Battery

Lease # NM 78214

1090 FNL - 840 FWL * Sec. 9-T22S-R24E * Unit D
Eddy County, NM

Wells to This Tank Battery

Sec 9-T22S-R24E

Anemone ANE Fed #1

30-015-28041

1980 FS & 1980 FW * Unit K

Anemone ANE Fed #2

30-015-27982

1090 FN & 840 FW * Unit D

Anemone ANE Fed #3

30-015-28126

810 FN & 1930 FE * Unit B

Anemone ANE Fed #4

30-015-28133

1650 FS & 1980 FE * Unit J

Anemone ANE Fed #5

30-015-31323

660 FN & 660 FE * Unit A

Anemone ANE Fed #7

30-015-33044

1980 FS & 660 FW * Unit L

Sec 3-T22S-R24E

Walt Canyon AMA #3

30-015-28319

1115 FN & 810 FW * Unit D

Walt Canyon AMA #4

30-015-28361

860 FN & 1780 FE * Unit B

Walt Canyon AMA #9

30-015-32468

1370 FS & 915 FW

Walt Canyon AMA #5

30-015-32267

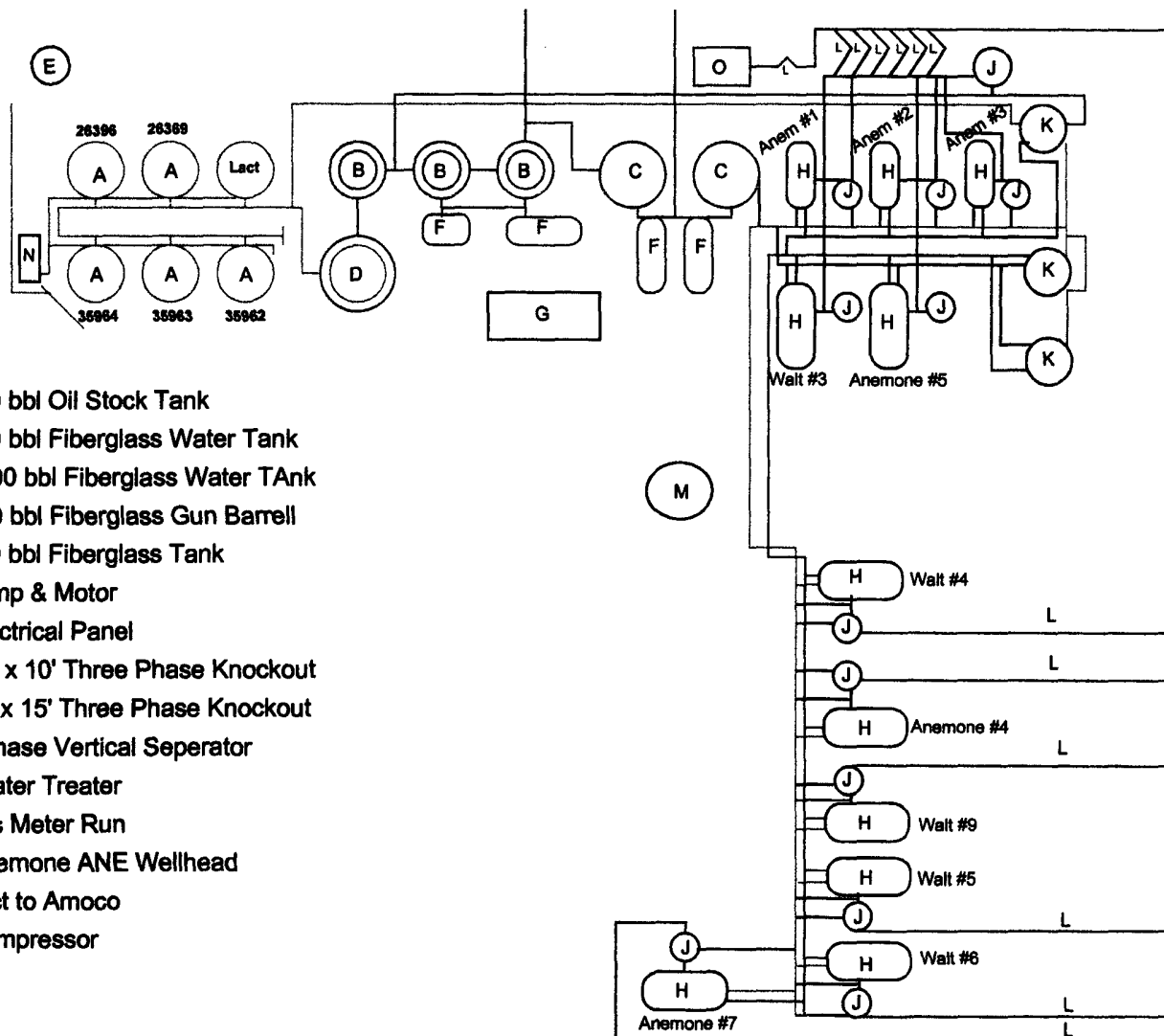
1630 FN & 2027 FE * Unit G

Walt Canyon AMA #6

30-015-33044

2100 FS & 1980 FE * Unit J

- A - 500 bbl Oil Stock Tank
B - 500 bbl Fiberglass Water Tank
C - 1000 bbl Fiberglass Water Tank
D - 750 bbl Fiberglass Gun Barrell
E - 210 bbl Fiberglass Tank
F - Pump & Motor
G - Electrical Panel
H - 48" x 10' Three Phase Knockout
I - 72" x 15' Three Phase Knockout
J - 2 Phase Vertical Separator
K - Heater Treater
L - Gas Meter Run
M - Anemone ANE Wellhead
N - Lact to Amoco
O - Compressor



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan
which is on file at 105 South 4th Street, Artesia, NM

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, N M 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Indian Basin Upper Penn Associated
Property Code	Property Name	Well Number
	WALT CANYON AMA FED.	6
OGRID No.	Operation Name	Elevation
025575	YATES PETROLEUM CORPORATION	3896

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
G	3	22-S	24-E		1845	NORTH	2007	EAST	EDDY

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
J	3	22-S	24-E		2100	SOUTH	1980	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>RECEIVED</p> <p>JAN 27 2004</p> <p>OCD-ARTESIA</p> <p>SURFACE LOCATION</p> <p>1845'</p> <p>2007'</p>	<p>OPERATOR CERTIFICATION</p> <p>I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p> <p><i>Cy Cowan</i></p> <p>Signature</p> <p>Printed Name Cy Cowan</p> <p>Title Regulatory Agent</p> <p>Date 1/21/02</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 KNOWLEDGE AND BELIEF.</p> <p>DEC. 18, 2001</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>NEW MEXICO</p> <p>5412</p> <p>LAND SURVEYOR</p> <p>NM DEEPS PROFESSIONALS</p> <p>Certificate Number</p>	
	<p>NM-7812-3</p> <p>BOTTOM HOLE LOCATION</p> <p>1980'</p> <p>2100'</p>	
	<p>W.C. #1</p>	

Janet Richardson

From: Janet Richardson [janet@ypc.com]
Sent: Tuesday, January 13, 2004 9:52 AM
To: Mayte Reyes
Subject: Walt Canyon #6/Dee 36SE #3

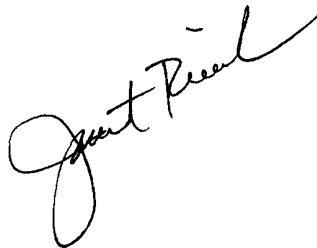
RECEIVED

2004 JAN 21 AM 9:09

103
36SE #3

Working interest owners in the Walt Canyon #6 well:

Yates Petroleum Corporation - 4%
Yates Drilling Company - 32%
Myco Industries, Inc. - 32%
Abo Petroleum Corporation - 32%



Thanks, Janet

Tracking:

Recipient
Mayte Reyes

Read

Read: 1/13/2004 10:52 AM