

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

APPLICATION FOR DOWNHOLE COMMINGLING

Yates Petroleum Corporation		105 South Forth Street, Artesia, NM 88210	
Operator		Address	
Cuadrito AZO Federal	#2	Unit A – Section 31 - 20S-23E	Eddy
Lease	Well No.	Unit Letter-Section-Township-Range	County

OGRID No.025575 Property Code 29231 API No. 30-015-34202 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Atoka Sand		Little Box Morrow Atoka Sand
Pool Code	96794		80240
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	8,176-8,310'		8,446-8,582
Method of Production (Flowing or Artificial Lift)	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:
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

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are all produced fluids from all commingled zones compatible with each other?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Will commingling decrease the value of production?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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 <input checked="" type="checkbox"/> No <input type="checkbox"/>
NMOCD Reference Case No. applicable to this well:	

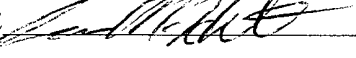
- Attachments:
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
 - Production curve for each zone for at least one year. (If not available, attach explanation.)
 - For zones with no production history, estimated production rates and supporting data.
 - Data to support 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		TITLE	Operations Engineer	DATE	11-10-05
TYPE OR PRINT NAME	Mike Hill	TELEPHONE NO.	(505) 748-4219		
E-MAIL ADDRESS	mhill@ypcnm.com				

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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 30-015-34202	² Pool Code 96794	³ Pool Name Wildcat Atoka Sand
⁴ Property Code 29231	⁵ Property Name Cuadrito AZO Federal	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number #2
		⁹ Elevation

¹⁰ Surface Location

UL or lot no. A	Section 31	Township 20S	Range 23E	Lot Idn	Feet from the 660	North/South line North	Feet from the 660	East/West line East	County Eddy
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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
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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
					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>
					Refer to Original Plat Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

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OCCUPANCY

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-34202	² Pool Code 80240	³ Pool Name Little Box Morrow Atoka Sand
⁴ Property Code 29231	⁵ Property Name Cuadrito AZO Federal	⁶ Well Number #2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation

¹⁰ Surface Location

UL or lot no. A	Section 31	Township 20S	Range 23E	Lot Idn	Feet from the 660	North/South line North	Feet from the 660	East/West line East	County Eddy
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OCD-ARTESIA

The Little Box Morrow Atoka is a new zone and production curves are not available.

The Wildcat Atoka Sand is a new zone and production curves are not available.

There are no working, royalty and overriding royalty interests in this well other than Yates Petroleum Corporation.

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
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
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: Cuadrito AZO Federal #2

Dear Mr. Gum;

Yates Petroleum Corporation hereby seeks administrative approval to downhole commingle the production from the Wildcat Atoka Sand and Little Box Morrow Atoka Sand pools in our Cuadrito AZO Federal #2 located in Unit A, of Section 31, Township 20 South, Range 23 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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OCU-ARTESIA