District II

811 South First Street, Artesia, NM 88210

District III
1000 Rio Brazos Road, Azter, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 South Pacheco Santa Fe, New Mexico 87505 APPLICATION TYPE

Form C-107A

Revised May 15, 2000

APPLICATION FOR DOWNHOLE COMMINGLING <u>AMENDED</u>

X Single Well
_Establish Pre-Approved Pools
EXISTING WELLBORE X Yes No

DATE <u>December 16, 2003</u>
TEI EPHONE NO (505)-748-4129------

Yates Petroleum Corporation 105 South Fourth Street Operator Address			
Chosa ATR Federal	1 L 8 25S 26E Well No. Unit Letter-Section-Township-Range		Eddy County
OGRID No. 025575 Property Code API No. 30-015-31215 Lease Type: X FederalState Fee			
DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Wildcat Atoka		Chosa Draw Morrow
Pool Code			
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	11270-11378		11536-11546
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)	N/A	RECEIVED	N/A
Oil Gravity or Gas BTU (Degree API or Gas BTU)	N/A	OCD-ARTESIA	N/A
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: 12/11/03 Rates: 535 mcfd 1 bopd 4 bwpd		Date: 11/18/03 Rates: 725 mcfd 1 bopd 0 bwpd
Fixed Allocation Percentage (Note: If allocation is based upon something other	Oil Gas		Oil Gas
than current or past production, supporting data or explanation will be required.)	50% 42%		50% 58%
ADDITIONAL DATA			
Are all working, royalty and overriding royalty interests identical in all commingled zones? If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?			Yes X No
Are all produced fluids from all commingled zones compatible with each other?			Yes <u>X</u> No
Will commingling decrease the value of production?			YesNo_X
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.			

SIGNATURE James M Hill TITLE Operations Engineer