NM 011 Cons. Commissic Drawer DD Artesia, NM 88210

els F

Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993

5. Lease Designation and Serial No. BUREAU OF LAND MANAGEMENT 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE NMNM88497 1. Type of Well 8. Well Name and No. Oil Well Gas Well Other Hancock AHC Com #2 2. Name of Operator 9. API Well No. (505) 748-1471) YATES PETROLEUM CORPORATION 30-005-62928 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 105 South 4th St., Artesia, NM 88210 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Pecos Slope Abo 11. County or Parish, State 660' FNL & 1980' FWL of Section 28-T6S-R26E (Unit C, NENW) Chaves Co., NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent Abandonment **New Construction** Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Other Surface commingling, Dispose Water off-lease sales & measurement Report results of multiple completion on Well ompletion 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.)* Due to economic conditions, the gas purchaser (Transwestern) required Yates to lay a gathering line from several wells to a central delivery point meter house, located at the Caudill RZ Com #4, located in the SWNE of Section 8-T6S-R26E, Chaves County, New Mexico. This well DOES NOT sell gas through the same meter. Yates Petroleum Corporation respectfully requests approval for off-lease sales and measurement and surface commingling of gas from the following wells: Hancock AHC Com #2 (NMNM88497), NENW of Section 28-T6S-R26E, Chaves Co., NM (Fee Lease) Buder ACN Federal #1 (NM-25866), NWNW of Section 22-T6S-R26E, Chaves Co., NM (Federal Lease) Andrew UU #1 (Fee Lease), SWNW of Section 10-T6S-R26E, Chaves Co., NM O'Connell VX Federal Com #1 (NMO61P3586C330) O'Connell VX Federal Com #1 (NMO61P3586C339), NWSE of Section 9-T6S-R26E, Chaves Co., NM <u>(</u> †⊝r:(NM−53957) Each well has its' own allocation meter setting at the respective location. number for the Andrew CDP that all of the above mentioned wells flow to is: 21920. Periodic meter calibrations are done on all meters and will be furnished to the BLM upon request. Please see the attached map. May 9, 1995 Production Clerk Title CHESTER Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agents of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

APPLICATION FOR SURFACE COMMINGLING, OFF LEASE SALES AND MEASUREMENT

Bureau of Land Management P. O. Box 1857 Roswell, NM 88201

Yates Petroleum Corporation is requesting approval for surface commingling, off lease sales and measurement of gas from the following wells:

WELL NAME	LEASE/CA NO.	LOCATION	FORMATION
Hancock AHC Com #2	NMNM88497	NENW-Sec. 28-T6S-26E	Abo
Buder ACN Federal #1	NM-25866	NWNW-Sec. 22-T6S-R26E	Abo
Shadden TN #1	Fee	SWSW-Sec. 10-T6S-R26E	Abo
Andrew UU #1	Fee	SWNW-Sec. 10-T6S-R26E	Abo
O'Connell VX Fed Com #1	NM061P3586C339	NWSE-Sec. 9-T6S-R26E	Abo

Production from the wells involved is as follows:

Hancock AHC Com #2	58 MCFPD
Buder ACN Federal #1	89 MCFPD
Shadden TN #1	15 MCFPD
Andrew UU #1	13 MCFPD
O'Connell VX Fed Com #1	103 MCFPD

A map is enclosed showing the location of all wells that will contribute production to the proposed commingling, off-lease sales and measurement.

The meter house for the Andrew CDP, which all of the above mentioned wells flow to is located at the Caudill RZ Com #4 location, located in the SWNE of Section 8-T6S-R26E, Chaves County, New Mexico. The Caudill RZ Com #4 DOES NOT flow into the Andrew CDP.

Each well has its own allocation meter setting on the respective location before flowing into Transwestern's Meter Number 21920.

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

We understand that the requested 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 to the BLM's Realty Section in your office if we have not already done so.

Rusty Kledn Production Clerk May 9, 1995

AMPREW UU #1
TW (CDP)
@ CAUDILL RZ#4

