

OCD-HOBBS

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 proposals5 Lease Designation and Serial No.
NM-59392

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7 If Unit or CA, Agreement Designation

1 Type of Well

Oil ☒ Gas ☐
☒ Well ☐ Well ☐ Other

2 Name of Operator

Yates Petroleum Corporation

3 Address and Telephone No

105 South Fourth Street, Artesia, NM 88210 (505) 7481471

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)

800' FNL 1650' FEL (NWNE) Sec 35 T19S R32E

8 Well Name and No

Lusk AHB Federal #1

9 API Well No.

30-025-30808

10 Field and Pool, or Exploratory Area

Wildcat Yates/Lusk Delaware

11. County or Parish, State

Lea County, NM

12 CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☒
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- Other
- Surface/Pool Commingle

- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well completion or Recompletion Report with 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 Surface/Pool Commingle for the following wells:

Lusk AHB Federal #1
Sec 35 T19S R32E
Lea County, NM
Federal Lease # NM-59392
Field/Pool - Lusk/YatesLusk AHB Federal #2, #3, #5
Sec 35 T19S R32E
Lea County, NM
Federal Lease # NM-59392
Field/Pool - Lusk/Delaware*Revised site security diagram will be submitted within 60 days*

The battery is located at the Lusk AHB Federal #2. Please see attached plat and site facility diagram.

Total gas and oil sales volumes will be allocated back to individual wells based on daily well test. Estimated daily production for each well is: Lusk AHB Federal #1 - 4 bbls OIL, 17 MCF, 15 bbls H2O. Well #2 - 35 bbls OIL, 20 MCF, 93 bbls H2O. Well #3 - 7 bbls Oil, 15 MCF, 66 bbls H2O. Well #5 - 8 bbls OIL, 15 MCF, 36 bbls H2O.

Working interest owners are identical

Subsequent required when commingling begins.

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

The purpose of the surface/pool commingling, 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 build 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.

**SUBJECT TO LIKE
APPROVAL BY STATE**

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

Marta Reyes

Title Production Secretary

Date January, 5 2007

(This space for Federal or State office use)

Approved by

Title

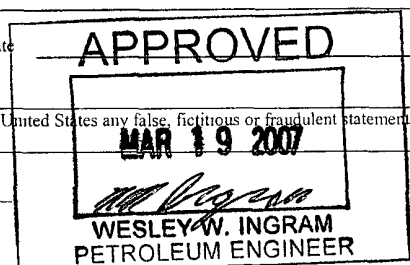
PETROLEUM ENGINEER

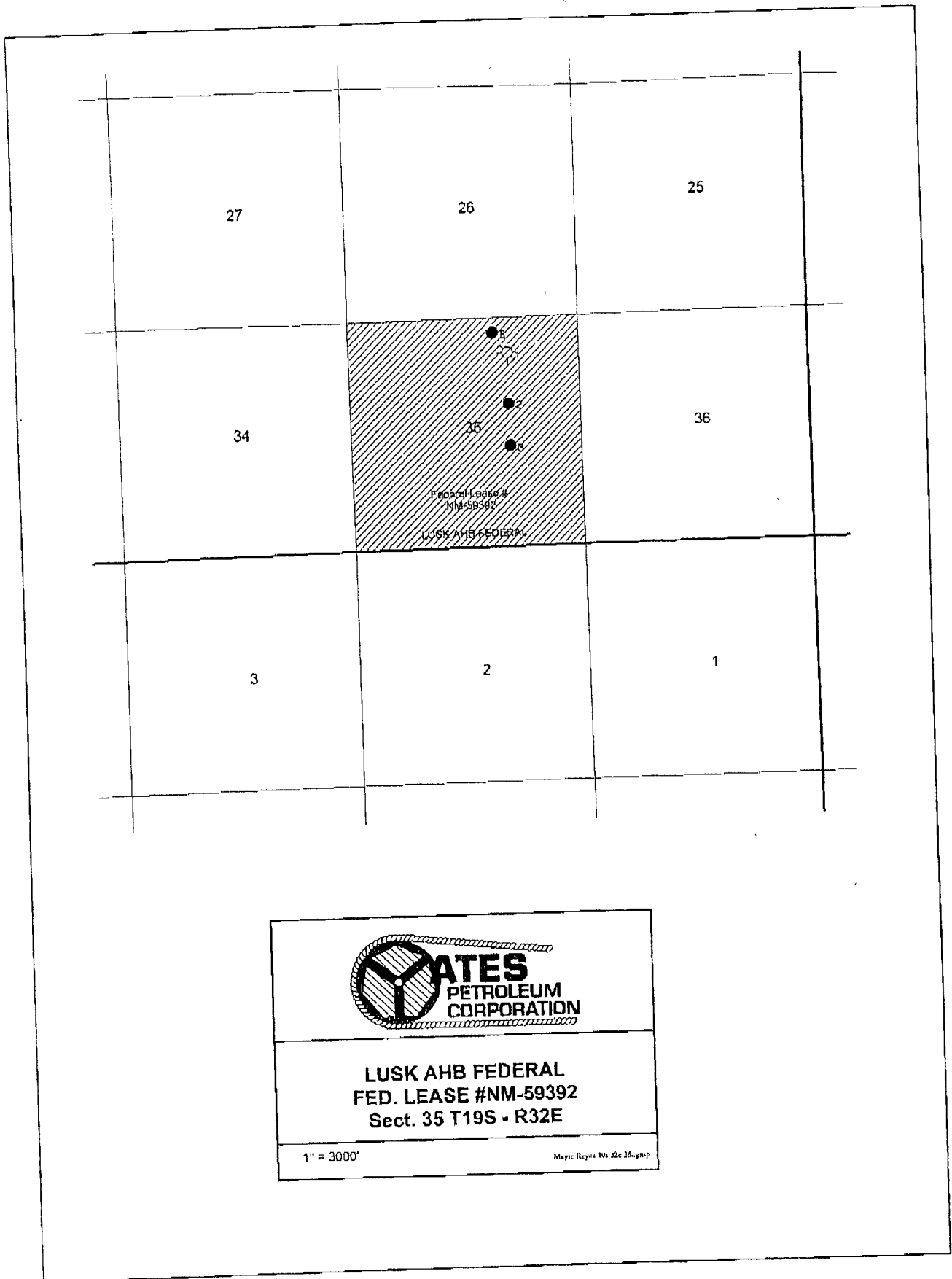
Date

Conditions of approval, if any

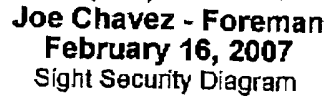
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

JUL 23 2009

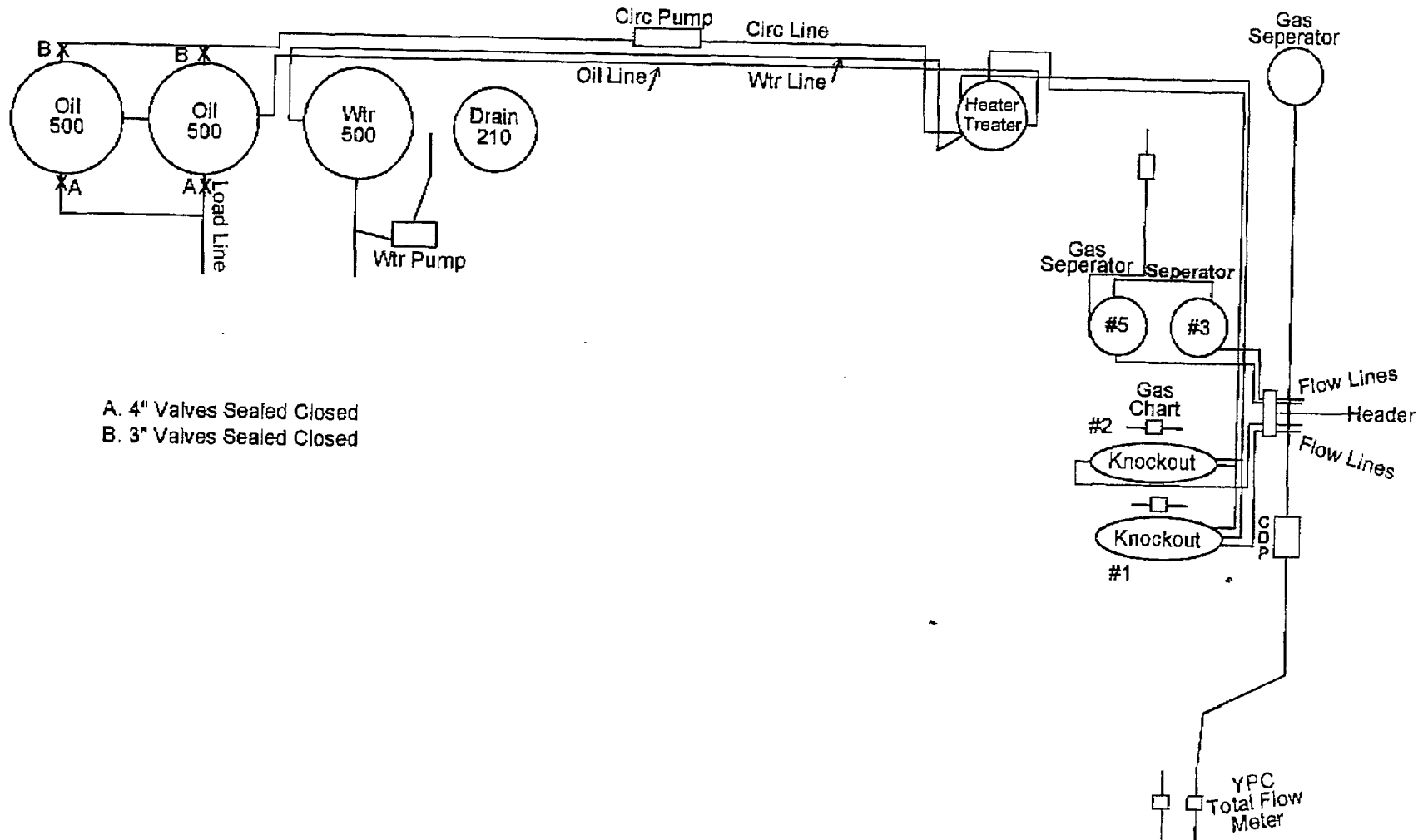
Kg



MAR-12-2007 MON 08:45 AM



1930' FNL & 1650' FEL * Sec. 35-T19S-R32E * Unit G
Lea County, New Mexico
API ~ 30-025-31042



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

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

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30808		² Pool Code		³ Pool Name Wildcat Yates	
⁴ Property Code 12527		⁵ Property Name Lusk AHB Federal			⁶ Well Number 1
⁷ OGRID No 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3565.9' GR

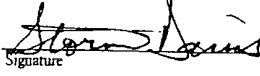
¹⁰ Surface Location

UL or lot no B	Section 35	Township 19S	Range 32E	Lot Idn B	Feet from the 800	North/South line North	Feet from the 1650	East/West line East	County Lea
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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
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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.

<div style="position: relative; height: 400px;"> <div style="position: absolute; top: 50px; left: 50px; transform: rotate(-90deg);">800'</div> <div style="position: absolute; top: 50px; left: 450px;">1650'</div> </div>	<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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>  Signature 9-12-06 Date </p> <p>Stormi Davis Printed Name</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>	

The ownership of the following wells and associated pools are identical in working royalty and overriding royalty interest and percentages

Well Name: Lusk AHB Federal #1
Formation: Lusk Delaware

Well Name: Lusk AHB Federal #1
Formation: Wildcat Yates

Well Name: Lusk AHB Federal #2
Formation: Lusk Delaware

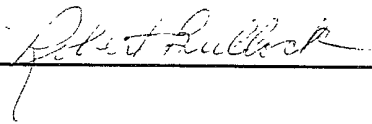
Well Name: Lusk AHB Federal #3
Formation: Lusk Delaware

Well Name: Lusk AHB Federal #5
Formation: Lusk Delaware

I certified that this information is true to the best of my knowledge.

Signed

Landman

A handwritten signature in cursive script, appearing to read "Robert L. Lusk", is written over a horizontal line. The signature is written in dark ink and is positioned to the right of the word "Landman".