

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

| | |
|------------------------|--|
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| DISTRIBUTION | |
| SANTA FE | |
| FILE | |
| U.S.O.B. | |
| LAND OFFICE | |
| TRANSPORTER | |
| OIL | |
| GAS | |
| OPERATION | |
| PRODUCTION OFFICE | |
| Operator | |

Yates Petroleum Corporation

Address

207 South 4th St., Artesia, NM 88210

Reason(s) for filing (Check proper box)

| | | | |
|---------------------|-------------------------------------|---------------------------|--------------------------|
| New Well | <input checked="" type="checkbox"/> | Change in Transporter of: | |
| Recompletion | <input type="checkbox"/> | Oil | <input type="checkbox"/> |
| Change in Ownership | <input type="checkbox"/> | Casinghead Gas | <input type="checkbox"/> |
| | | Dry Gas | <input type="checkbox"/> |
| | | Condensate | <input type="checkbox"/> |

Other (Please explain)

Approval to flare casinghead gas from this well must be obtained from the Minerals Management Service.

If change of ownership give name and address of previous owner

THIS WELL HAS BEEN PLACED IN THE POOL DESIGNATED BELOW. IF YOU DO NOT CONCUR NOTIFY THIS OFFICE.

DESCRIPTION OF WELL AND LEASE

| | | | | |
|------------------|----------|--------------------------------|---|-----------|
| Lease Name | Well No. | Pool Name, Including Formation | Kind of Lease | Lease No. |
| Union SI Federal | 7 | Und. Tomahawk SA R-7048 | NM-0558018 State, Federal or Fee Federal | |

Location

Unit Letter F : 1650 Feet From The North Line and 2310 Feet From The WestLine of Section 1 Township 8S Range 31E , NMPM, Chaves County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|---|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Navajo Crude Oil Purchasing Co. | Box 159, Artesia, NM 88210 |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |

If well produces oil or liquids, give location of tanks.

| | | | |
|----------|----------|----------|-----------|
| Unit | Sec. | Twp. | Rge. |
| <u>C</u> | <u>1</u> | <u>8</u> | <u>31</u> |

Is gas actually connected? When

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA

| | | | | | | | | |
|------------------------------------|-----------------------------|-----------------|-------------------|----------|--------|-----------|--------------|----------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'tv. | Drill, Res'tv. |
| | X | X | | | | | | |
| Date Spudded | Date Compl. Ready to Prod. | Total Depth | P.B.T.D. | | | | | |
| 6-19-82 | 8-9-82 | 4250' | 4152' | | | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | Tubing Depth | | | | | |
| 4384.3' GR | San Andres | 3963' | 4213' | | | | | |
| Perforations | | | Depth Casing Shoe | | | | | |
| 3963-4150' | | | 4205' | | | | | |

TUBING, CASING, AND CEMENTING RECORD

| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT |
|-----------|----------------------|-----------|--------------|
| | 14" | 40' | |
| 12-1/4" | 8-5/8" | 1706' | 700 |
| 7-7/8" | 4-1/2" | 4205' | 250 |
| | 2-3/8" | 4213' | |

TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

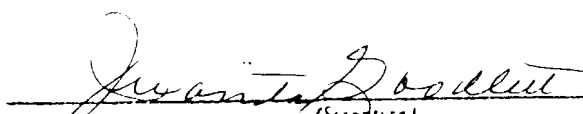
| | | | |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| 7-15-82 | 8-9-82 | Pumping | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| 24 hrs | 20# | 20# | Open |
| Actual Prod. During Test | Oil-Bble. | Water-Bble. | Gas-MCF |
| 64 | 13 | 51 | 5 |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test-MCF/D | Length of Test | Bble. Condensate/MMCF | Gravity of Condensate |
| | | | |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size |
| | | | |

CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


(Signature)
Engineering Secretary
(Title)
8-9-82
(Date)

OIL CONSERVATION DIVISION

APPROVED AUG 11 1982, 19BY ORIGINAL SIGNED BY

JERRY SEXTON

TITLE DISTRICT 1 SUPR

This form is to be filed in compliance with RULE 1104.

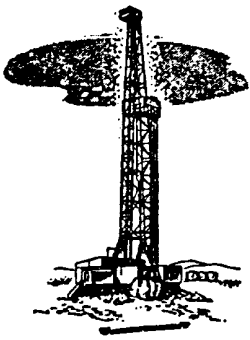
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Form C-104 must be filed for each pool in multiple completed wells.

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AUG 10 1982
O.C.D.
HOBBS OFFICE



L & M DRILLING, INC. - Oil Well Drilling Contractors

P. O. BOX 672

ARTESIA, NEW MEXICO 88210

July 12, 1982

Yates Petroleum Corporation
207 South Fourth Street
Artesia, NM 88210

RE: Union SI Federal #7
1650' FNL & 2310' FWL
Sec. 1, T8S, R31E
Chaves County, New Mexico

Gentlemen:

The following is a Deviation Survey for the above captioned well.

| DEPTH | DEVIATION |
|-------|------------------|
| 500' | 1/4 ^O |
| 938' | 1/4 ^O |
| 1705' | 0 ^O |
| 2093' | 0 ^O |
| 2501' | 1/4 ^O |
| 3005' | 1/2 ^O |
| 3501' | 1/2 ^O |
| 3865' | 1/2 ^O |
| 4250' | 1 ^O |

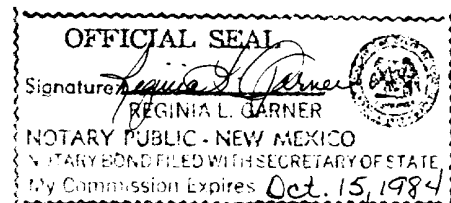
Very truly yours,

B. N. Muncy Jr.
President

STATE OF NEW MEXICO
COUNTY OF EDDY

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§

The foregoing was acknowledged before me this 12th day of July, 1982.



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AUG 10 1982

O.C.D.
HOBBS OFFICE