



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

Jennifer A. Salisbury

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

08/06/01

Yates Petroleum Company
105 S. Fourth St.
Artesia, NM 88210-2118

Dear Mr. May:

Listed below are wells that Yates Petroleum Company (YPC) has been operating without the proper New Mexico Oil Conservation Division (NMOCD) authorization:

30-025-01824-Blitzen AUB State #1- M-16-11S-34E

1. Re-entry APD approved 12/16/99
2. Flow testing 5/2/00 Sundry approved 7/18/00
3. Testing allowable granted 7/18/00
4. According to meter run well was put into production 5/2000
5. Well is not being reported on C-115's, but did produce according to chart on meter run ---
6. No completion report submitted as of 8/6/01

Since well is shut in, YPC shall submit to the NMOCD procedures for plugging and abandonment, temporary abandonment or return the well to production by August 27, 2001. YPC shall submit to the NMOCD the appropriate C103, C104, C105, C115, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-29496-Yam "AYQ" State #1 -N-20-12S-36E

1. Re-entry approved 4/23/01
2. No other paperwork submitted.
3. According to field inspection this well is complete.
4. No completion report received
5. No sundries showing what was done to this well.
6. No Authorization to transport

YPC shall submit to the NMOCD the appropriate C103; C104, C105, C115, deviation survey and logs shall be submitted to NMOCD by August 27, 2001 to avoid a show cause hearing.

30—25-34790-Sand Springs Unit #1-L-5-11S-35E

1. APD approved 12/14/99
2. Bled well down 6/8/00. Swabbed. Shut well in. Released well to production.
3. Testing allowable granted 8/22/00

4. No completion report received as of 8/06/01.
5. Well produced past its 30 day test allowable

Since well is shut in, YPC shall submit to the NMOCD procedures for plugging and abandonment, temporary abandonment or return the well to production by August 27, 2001. YPC shall submit to the NMOCD the appropriate C103, C104, C105, C115, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-34859-Blitzen "AUB" State #2-F-16-11S-34E

1. APD approved 1/20/00
2. Blew well down. Swabbed & flow tested. Shut well in.
3. Testing allowable granted 1/11/2001
4. No completion report received as of 8/06/01
5. Well produced past its 30 day test allowable without submitting a new 104.

Since well is shut in, YPC shall submit to the NMOCD procedures for plugging and abandonment, temporary abandonment or return the well to production by August 27, 2001. YPC shall submit to the NMOCD the appropriate C103, C104, C105, C115, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-20698 Comet "AUC" State #1-O-23-11S-34E

1. APD approved 12/16/99
2. Well released to production department 3/9/2000
3. Testing allowable granted 7/7/2000
4. No completion report received as of 8/06/01
5. No further paperwork received

Since well is shut in, YPC shall submit to the NMOCD procedures for plugging and abandonment, temporary abandonment or return the well to production by August 27, 2001. YPC shall submit to the NMOCD the appropriate C103, C104, C105, C115, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-35098 Rock Ridge "AWD" State #1-F-15S-35E

1. APD approved 7/18/200
2. Last Sundry Notice 10/18/00
3. No further paperwork
4. Well connected to pipeline per field inspection
5. No completion report or logs received as of 8/06/01

Since the well appears to producing shut in the well immediately. YPC shall submit to the NMOCD the appropriate C103, C104, C105, C115, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-35261 Big Bear "ATN" #2-L-29-15S-35E

1. APD approved 11/22/00
2. No other paperwork received.

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-35066 Big Flat ASN State Com #3-O-10-16S-35E

1. APD approved 6/28/00
2. DHC order 2840-Townsend Permo Upper Penn, NW Shoebar Strawn
3. No other paperwork submitted

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-34959 BLTN "AUY" State #1-A-33-16S-35E

1. APD approved 3/06/00
2. Last C103 Sundry 4/15/00
3. No other paperwork submitted

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-34898-East Sand Springs Unit #3-N-6-11S-35E

1. APD approved 1/26/00
2. Spud notice 9/8/00
3. No other paperwork submitted

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-21162 Tres Canal State Unit #1-K-26-8S-33E

1. APD approved 7/7/00
2. Last C103 8/20/00
3. No other paperwork submitted

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-29998 Arreguy "AVM" #1-A-25-15S-34E

1. Well was re-entry to the Mississippian (NSL-4479)

2. Perforated Morrow 10/05/00
3. Flow tested Morrow 10/11/00 Shut in perfs. Released well to production department
4. Requested test allowable for Morrow perfs 12/08/00
5. No further paperwork submitted.

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-33345 Haracz Amo Federal #7-F-19-24S-32E

1. DHC approval 2/10/97
2. Production reported for Delaware with two months production reported to Bone Springs.
3. Last C103 submitted October 1996-perforated Delaware
4. Last C104 submitted December 1996 for Bone Springs
5. No further paperwork submitted

The NMOCD does not know whether this well is producing from the Bone Springs or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

30-025-02771 Brunson AQK State #2-H-10-16S-35E

1. Completed drilling 3/2000
2. TA expired 4/1/00

The NMOCD does not know whether this well is producing or shut in. If the well is producing shut it in immediately. YPC shall submit to the NMOCD the appropriate C103; C104, C105, deviation survey and logs by August 27, 2001 to avoid a show cause hearing.

Sincerely

Chris Williams
NMOCD District 1 Supervisor