

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
March 4, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575 ³ API Number 30 - 005 - 63406
⁴ Property Code 26932	⁵ Property Name Jokers AWJ State	⁶ Well No. 2

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	10S	26E		660	South	660	West	Chaves

8 Proposed 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

9 Proposed Pool 1

Undesignated Four Ranch Pre Permian

10 Proposed Pool 2

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	10S	26e		660	South	660	West	Chaves
Depth to ground water N/A				Distance from nearest fresh water well N/A		Distance from nearest surface water N/A			
¹¹ Work Type Code N		¹² Well Type Code G		¹³ Cable/Rotary R		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 3822'	
¹⁶ Multiple N		¹⁷ Proposed Depth 6,530'		¹⁸ Formation Ordovician		¹⁹ Contractor Not Determined		²⁰ Spud Date ASAP	

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1100'	750	Surface
7 7/8"	5 1/2"	15.5#	6530'	400	TOC 4000' X

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Ordovician and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. **MUD PROGRAM:** 0-1100' FWGel, Paper, LCM; 1100-4495' Brine; 4495' - TD Salt Gel/Starch.
BOPE PROGRAM: A 2000# BOPE will be installed on the 8 5/8" casing and tested daily. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Ordovician Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

The State Engineers Web Site has been accessed for the above well location. There were no records found.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature:

Robert Asher

Printed name: Robert Asher

Title: Regulatory Agent

E-mail Address: debbiec@ypcn.com

Date: 06/28/04

Phone: (505) 748-4376

OIL CONSERVATION DIVISION

Approved by:

Jim W. Brown

District Supervisor

Title:

Approval Date: JUN 07 2004

Expiration Date:

JUN 04 2005

Conditions of Approval:

Attached ☐

CEMENT TO COVER ALL OIL,
GAS AND WATER BEARING
ZONES

Cover Gloriera

District I

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-102

Revised August 15, 2000

District II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

District III

1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

State Lease - 4 Copies

Santa Fe, NM 87505

Fee Lease - 3 Copies

District IV

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

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number	² Pool Code	³ Pool Name Undesignated Foor Ranch; Pre-Permian
⁴ Property Code	⁵ Property Name Jokers AWJ State	⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3822'

¹⁰ Surface Location

UL or lot no. M	Section 3	Township 10S	Range 26E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line East	County Chaves
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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
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¹² Dedicated Acres 320 S/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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

¹⁶ 	VO-5117	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Robert Asher Printed Name Regulatory Agent Title 06/28/2004 Date

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

Santa Fe, New Mexico 87504-2088

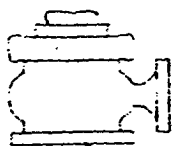
☐ AMENDED REPORT

API Number		Pool Code	Pool Name
			Undesignated Floor Ranch; Pre-Permian
Property Code	Property Name		Well Number
	JOKERS "AWJ" STATE		2
OGED No.	Operator Name		Elevation
025575	YATES PETROLEUM CORPORATION		3822

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	10S	26E		660	SOUTH	660	EAST	CHAVES

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code		Order No.					
320									

		OPERATOR CERTIFICATION	
		<i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>	
		<u>Pat Perez</u> Signature	
		<u>Pat Perez</u> Printed Name	
<u>Regulatory Agent</u> Title			
<u>7-27-2001</u> Date			
		SURVEYOR CERTIFICATION	
		<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>	
		<u>9/26/2000</u> Date Surveyed	
		<u>Herschel L. Jones</u> Signature & Seal of Professional Surveyor	
		Certificate No. <u>Herschel L. Jones</u> <u>PLS 3640</u> <u>JONES 2 DISK</u> GENERAL SURVEYING COMPANY	

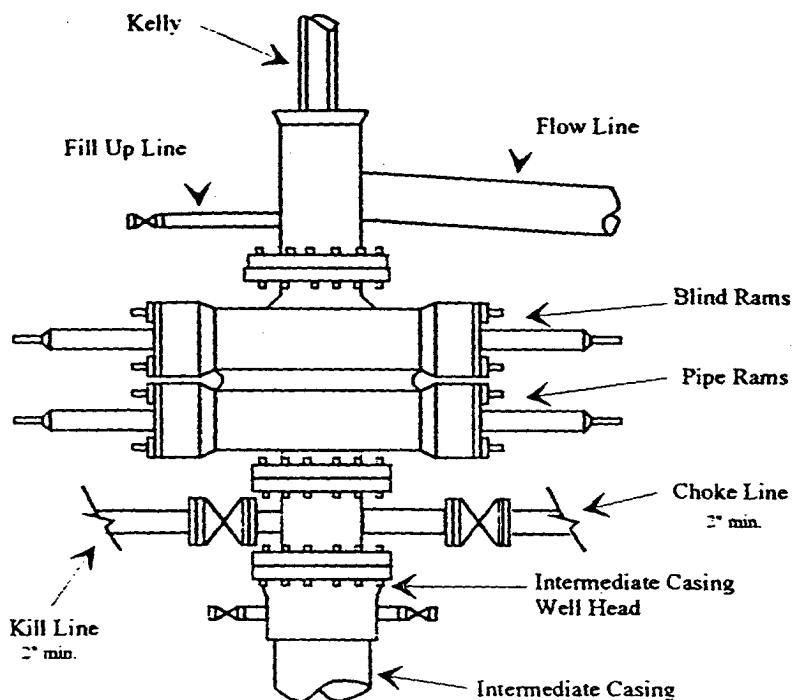


Yates Petroleum Corporation

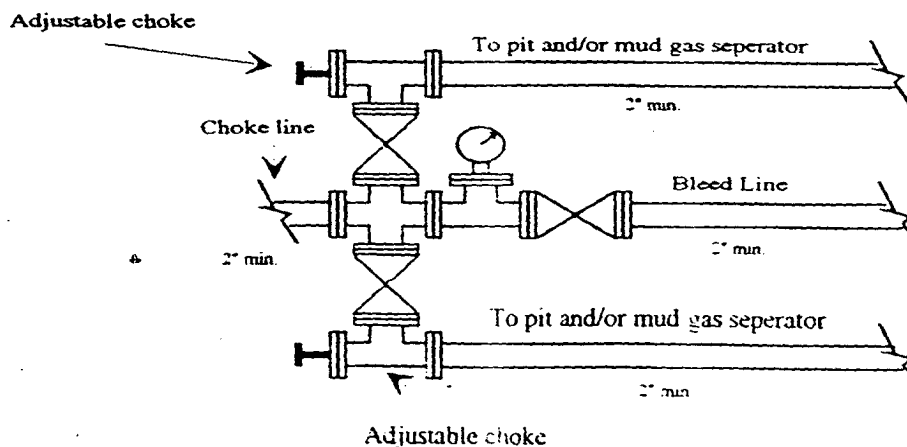
BOP-2

Typical 2,000 psi Pressure System Schematic

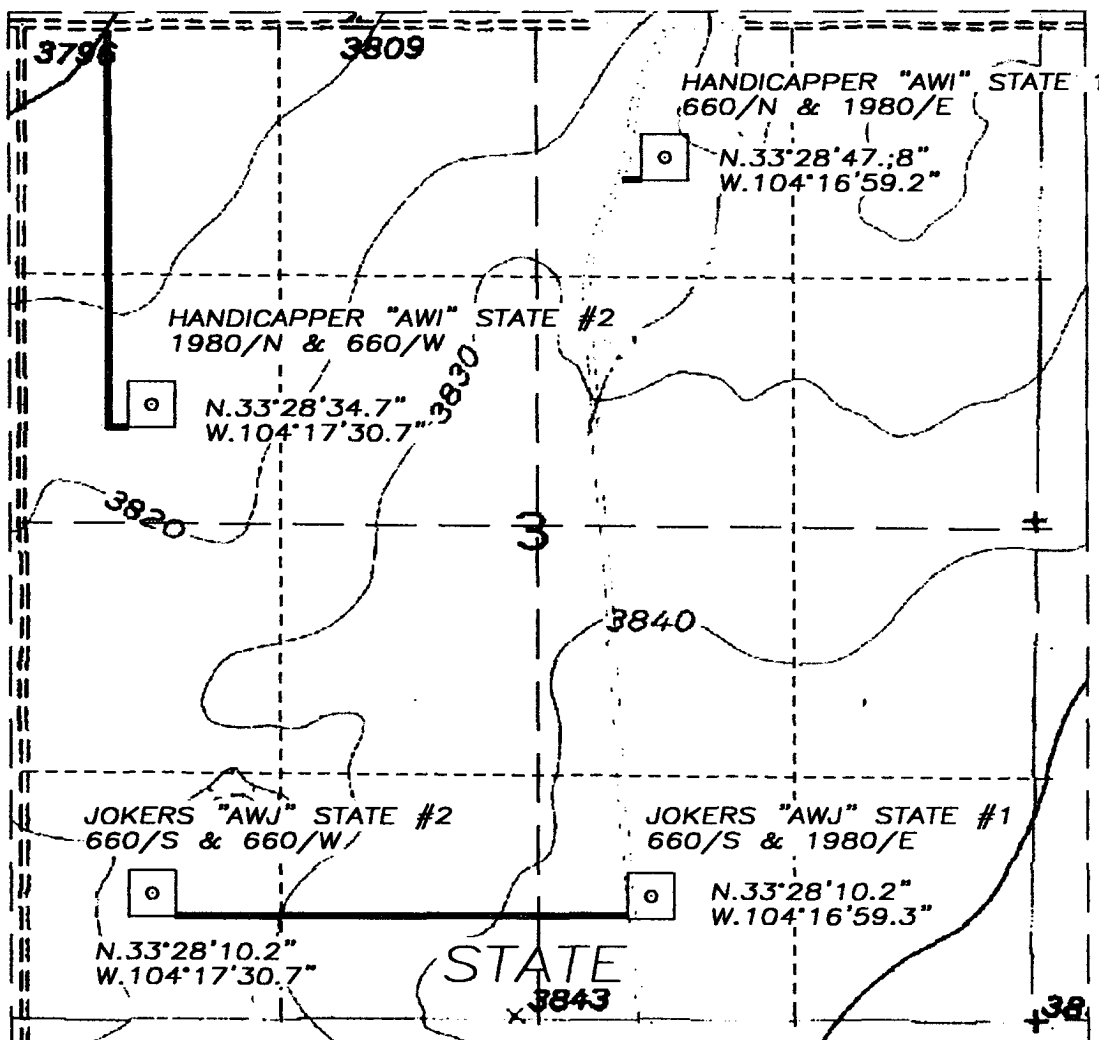
Double Ram Preventer Stack



Typical 2,000 psi choke manifold assembly with at least these minimum features



SECTION 3, TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.



1000' 0 1000' 2000'

Scale 1" = 1000'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

3640
HERSCHEL L. JONES R.L.S. 943640

GENERAL SURVEYING COMPANY, P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

YATES PETROLEUM CORPORATION

LEASE ROAD TO ACCESS THE YATES PETROLEUM CORPORATION HANDICAPPER "AWI" STATE #1 & 2 WELLS AND THE JOKERS "AWJ" STATE #1 & 2 WELLS LOCATED IN SECTION 3, TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.

Survey Date: 9/28/2000	Sheet 1 of 1	Sheets
Drawn By: Ed Blevins	W.O. Number	
Date: 9/27/00	Scale 1" = 1000'	JOKER