

State of New Mexico
Energy Minerals and Natural Resources

RECEIVED

JUL 26 2005

OCD-ARTEZIA

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address Yates Petroleum Corporation 105 S 4th St Artesia, NM 88210		OGRID Number 025575
Property Code 34978		API Number 30-015-34240
Property Name Desperado BHP		Well No. 1
Proposed Pool 1 Wildcat Wolfcamp		Proposed Pool 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
P	14	16S	24E		660	South	760	East	Eddy

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
A	14	16S	24E		660	North	760	East	Eddy

Additional Well Information

Work Type Code N	Well Type Code G	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3602'
Multiple No	Proposed Depth TVD 5000' MD 8454'	Formation Wolfcamp	Contractor Not Determined	Spud Date ASAP
Depth to Groundwater 118'		Distance from nearest fresh water well .9 mile		Distance from nearest surface water .9 mile
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 20K bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	350'	450sx	Surface
12 1/4"	9 5/8"	36#	1100'	525sx	Surface
8 3/4"	Pilot Hole		5400' TVD		
8 3/4"	7"	23# & 26#	4775' MD	800sx	TOC-600'
6 1/4"	4.5" Liner	11.6#	8454' MD	650sx	TOC-3775'

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 Wolfcamp and Intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off grave and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. Sources at YPC have relayed information to me that they believe there will not be enough H2S found from the surface to the Wolfcamp formation to meet the OCD's minimum requirements for the submission of contingency plan per Rule 118. Any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines with approved general permit. Sources available have been accessed for captioned well and information obtained determines the site ranking at 0 points. With this ranking score deep trench burial and capping will take place at pit closure.

MUD PROGRAM: 0-350' FW/Spud Mud; 350-1100' FW Gel/Air mist; 1100-TD Cut Brine.

BOPE PROGRAM: A 3000# BOPE will be installed on the 9 5/8" casing and tested daily.

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 ☐.

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: JUL 27 2005

Expiration Date: JUL 27 2006

Printed name: Cy Cowan

Title: Regulatory Agent

E-mail Address: cy@ypcnm.com

Date: July 25, 2005

Phone: (505) 748-4372

Conditions of Approval Attached ☐

DISTRICT II

11 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat Wolfcamp
Property Code	Property Name DESPERADO "BHP"	Well Number 1-H
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3602

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	16S	24E		660	SOUTH	760	EAST	EDDY

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
A	14	16S	24E		660	NORTH	760	EAST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature Cy Cowan Printed Name Regulatory Agent Title July 22, 2005 Date
	SURVEYOR CERTIFICATION 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. 7/15/2005 Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Herschel E. Jones RLS 3640 DESPERADO GENERAL SURVEYING COMPANY PROFESSIONAL
	N.32°55'02.9 W.104°33'11.7" N.697517.7 E.432676.0 (NAD-27)
	760'

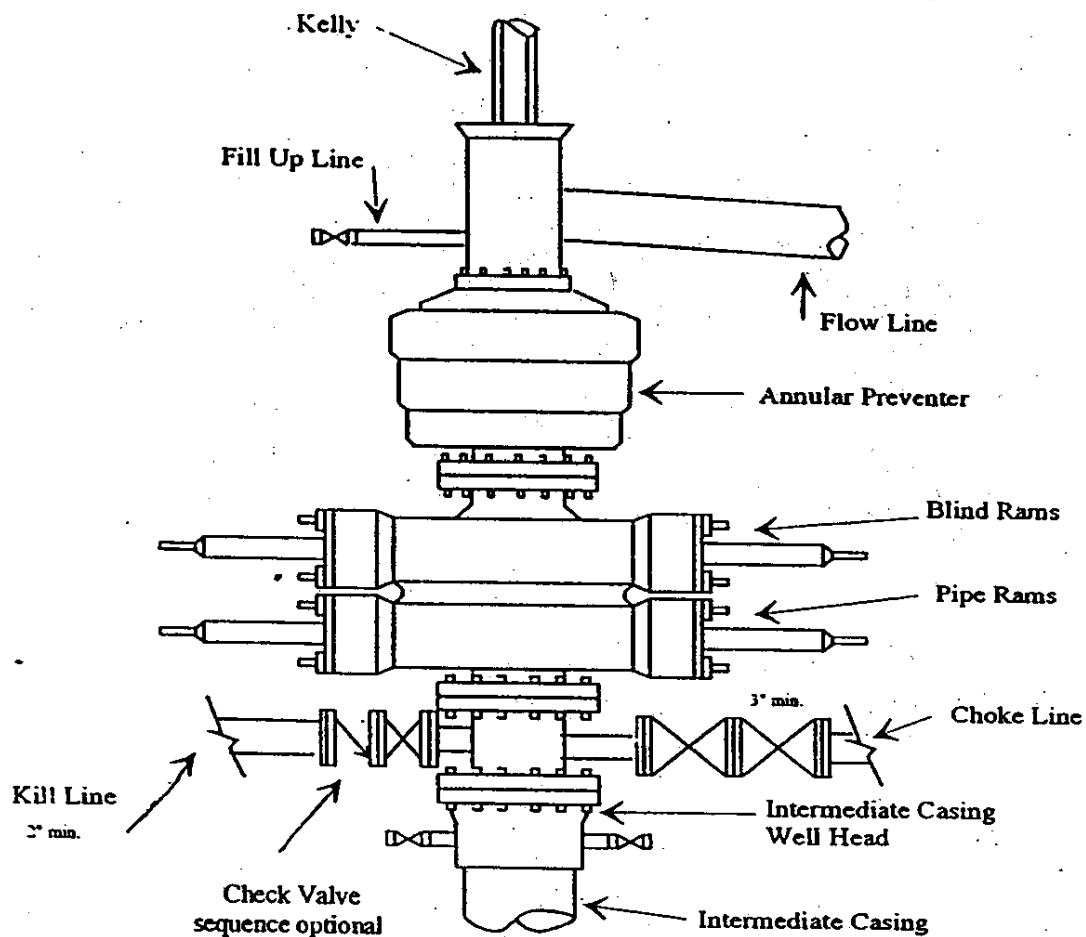
0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



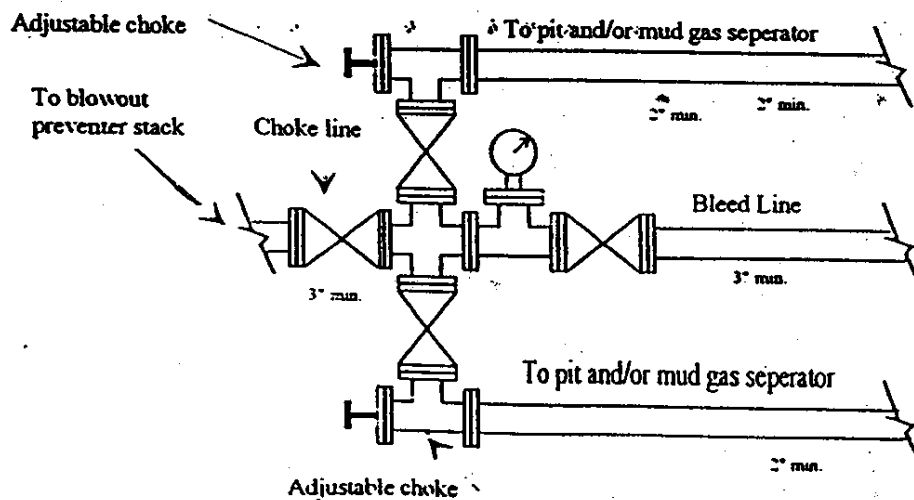
Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features



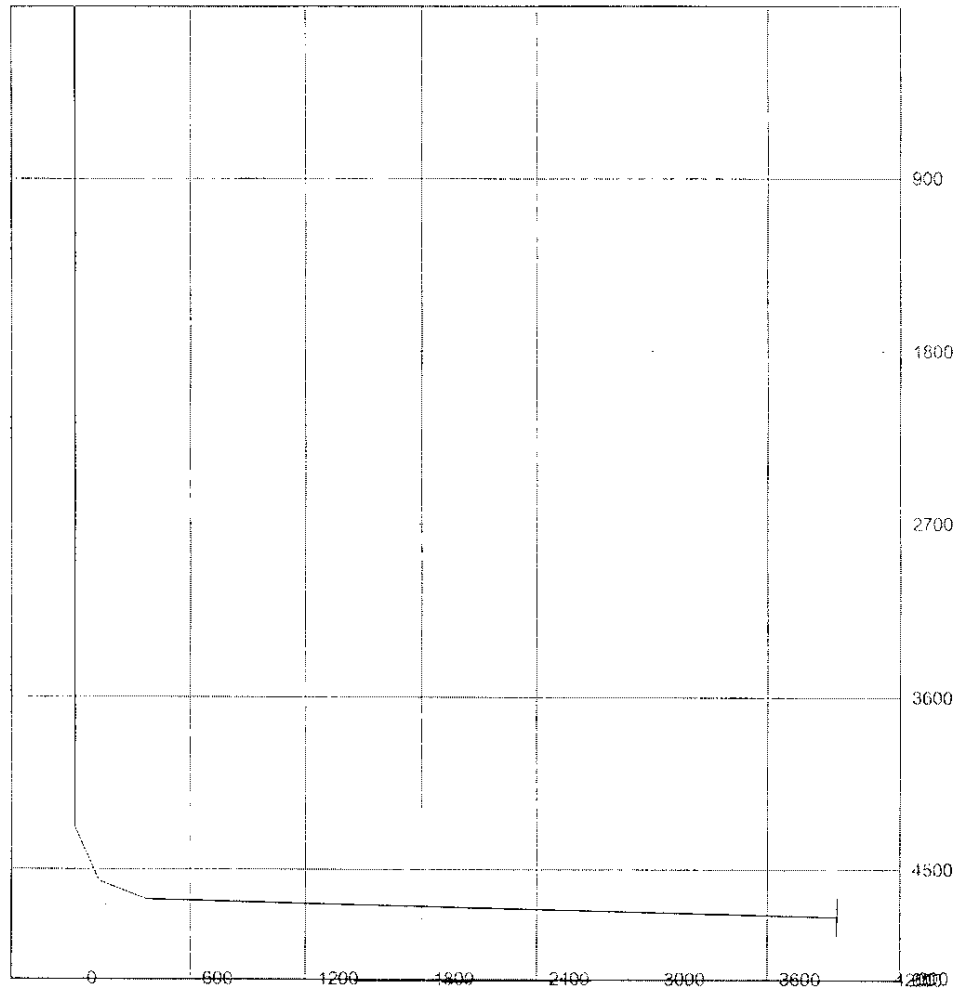
Desperado BHP #14

	M.D. [ft]	Inclination [°]	Azimuth [°]	T.V.D. [ft]	N+/S- [ft]	E+/W- [ft]	D.L.S. [°/100ft]	ToolFace [°]	T.F. Ref. [HS/GN]
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
2	4275.00	0.00	0.00	4275.00	0.00	0.00	15.00	0	GN
3	4593.18	47.73	0.00	4557.64	125.03	0.00	15.00	0	HS
4	4865.62	88.59	0.00	4656.86	372.59	0.00	15.00	0	HS
5	8454.11	88.59	0.00	4745.00	3960.00	0.00	0.00		

3D³ Directional Drilling Planner - 3D View

Company: **Technical Toolboxes Inc.**

Well: **Desperado BHP #1H**



3D³ Directional Drilling Planner - 3D View

Company: Technical Toolboxes Inc.

Well: Desperado BHP #1H

