

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

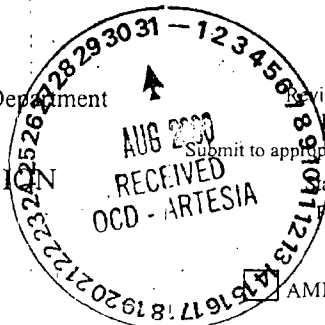
DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088



Form C-101

Revised March 17, 1999

Instructions on back

Submit to appropriate District Office

Rate Lease - 6 Copies

Fee Lease - 5 Copies

AMENDED REPORT

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

| | | |
|--|--|------------------------------|
| Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 | | OGRID Number 025575 |
| Property Code 12102 | | API Number 30- 005- 63277 |
| Property Name Caudill "RZ" | | Well No. 8 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 8 | 6S | 26E | | 660' | South | 1500' | 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 |
|------------------------------------|---------|----------|-------|---------|-----------------|------------------|---------------|----------------|--------|
| Proposed Pool 1 Pecos Slope Abo | | | | | Proposed Pool 2 | | | | |

| | | | | |
|---------------------|-------------------------|-------------------|------------------------------|---------------------------------|
| Work Type Code N | Well Type Code G | Cable/Rotary R | Lease Type Code P | Ground Level Elevation 3680' |
| Multiple N | Proposed Depth 4200' | Formation Abo | Contractor Not Determined | Spud Date ASAP |

Minimum WOC time 8 hrs Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/feet | Setting Depth | Sacks of Cement | Estimated TOC |
|---|-------------|--------------------|---------------|-----------------|---------------|
| 14 3/4" | 11 3/4" | 42# | 900' | 400 s.k. | Surface |
| 11" | 8 5/8" * | 24# | 1500' | 500 s.k. | Surface |
| 7 7/8" | 4 1/2" | 10.5# | 4200' | 300 s.k. | TOC 3200' |
| * 8 5/8" set only if lost circulation is encountered. | | | | | |

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 Abo and intermediate formations. Approximately 900' 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: 0-900' FWGel/Paper/LCM; 900-1500' FW or Cut Brine; 1500-3690' Brine; 3690'-4200' Salt Gel/Starch/Oil/LCM.

BOPE PROGRAM: A 2000# BOPE will be installed on the 11 3/4" casing and tested daily.

| | | | |
|--|-----------------------|--|--|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Cy Cowan</i> | | OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY TIM W. GUMS DISTRICT II SUPERVISOR | |
| Printed name: Cy Cowan | | Title: | |
| Title: Regulatory Agent | | Approval Date: AUG 31 2000 Expiration Date: AUG 31 2001 | |
| Date: 08/30/00 | Phone: (505) 748-1471 | Conditions of Approval: Attached <input type="checkbox"/> | |

Notify OCD at SPUD & TIME
to witness cementing the
casing.

DISTRICT I

W. French Dr., Hobbs, NM

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Anton, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

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 |
| | | Pecos Slope Abo |
| Property Code | Property Name | Well Number |
| | CAUDILL "RZ" | 8 |
| OGEID No. | Operator Name | Elevation |
| 025575 | YATES PETROLEUM CORPORATION | 3680 |

Surface Location

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| N | 8 | 6S | 26E | | 660 | SOUTH | 1500 | WEST | CHAVES |

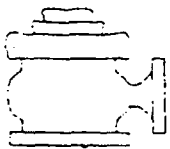
Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| | | | | | | | | | |

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
| 160 | | | |

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

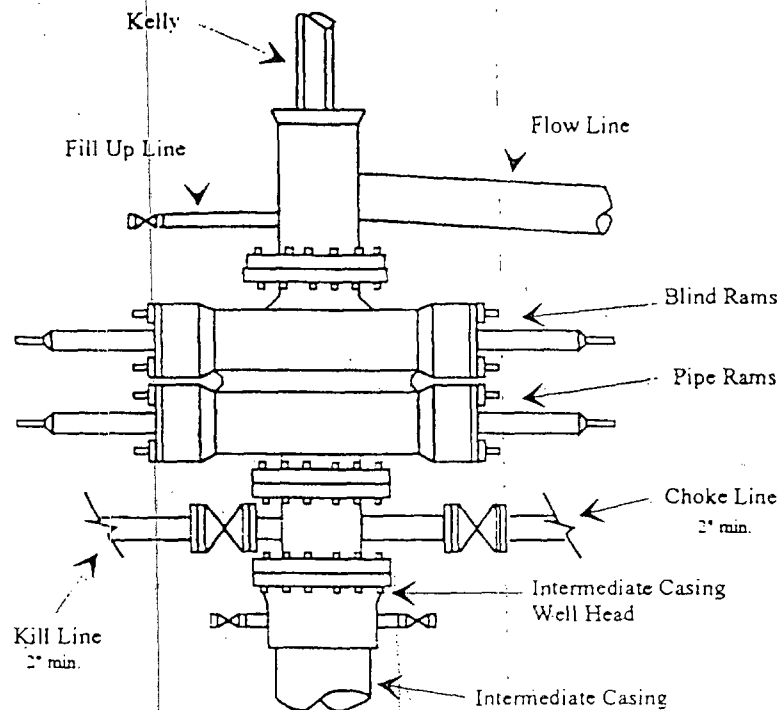
| | | |
|--|--|--|
| | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cy Cowan</i></p> <p>Signature</p> <p>Cy Cowan</p> <p>Printed Name</p> <p>Regulatory Agent</p> <p>Title</p> <p>August 30, 2000</p> <p>Date</p> | |
| | <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>8/28/2000</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Herchel L. Jones</i></p> <p>Professional Surveyor</p> <p>3640</p> <p>Herchel L. Jones RLS 3640</p> <p>CAUDILL 8 BSK 33</p> <p>GENERAL SURVEYING COMPANY</p> | |



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

