

MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
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TREASURER

November 6, 2006

Mr. Bryan Arrant
Oil Conservation Division, District II Office
1301 W. Grand Ave.
Artesia, NM 88210



Re: Dowell MV #3
Section 33-T18S-R26E
Eddy County, New Mexico
H2S Contingency Plan

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 Upper Penn formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta
Regulatory Compliance Supervisor

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
Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-33037
⁴ Property Code 12205	⁵ Property Name Dowell MV	⁶ Well No. 3
⁹ Proposed Pool 1 Wildcat Upper Penn		¹⁰ 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
N	33	18S	26E		660	South	1700	West	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

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3379'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Chester	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input 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
		IN PLACE			

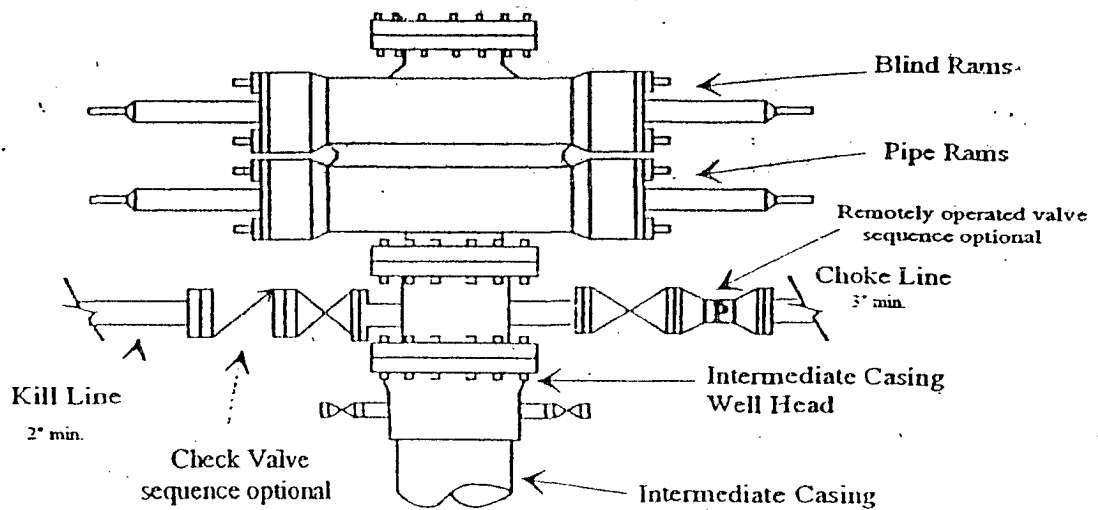
²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation plans to workover and possibly recomple this well as follows: Perforate additional Strawn 8398'-8412' (29). Stimulate as needed. If YPC decides to recomplete, set a CIBP or composite plug at +/-8348'. Perforate Canyon 7768'-7784' (33) and 7906'-7944' (77). Stimulate as needed.

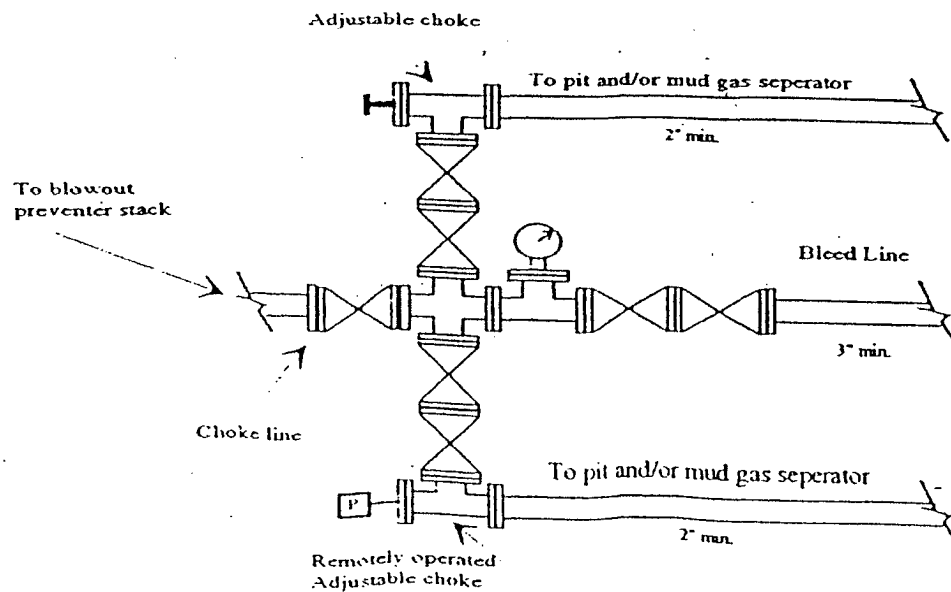
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: <i>Tina Huerta</i>		Approved by: BRYAN G. ARRANT	
Printed name: Tina Huerta		Title: DISTRICT II GEOLOGIST	
Title: Regulatory Compliance Supervisor		Approval Date: NOV 09 2006	Expiration Date: NOV 09 2007
E-mail Address: tina@ypcnm.com			
Date: November 6, 2006	Phone: 505-748-4168	Conditions of Approval Attached <input type="checkbox"/>	

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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



WELL NAME: Dowell "MV" No. 3 FIELD: Wildcat
 LOCATION: 660' FSL & 1,700' FWL Sec 33-18S-26E Eddy County NM
 GL: 3,379' ZERO: KB: 3,397'
 SPUD DATE: 06/26/04 COMPLETION DATE: 09/24/04
 COMMENTS: API # 30-015-33037

CASING PROGRAM

13-3/8" 48# H40 ST&C	562'
9-5/8" 36# J55 ST&C	1,505'
7" 26# J-55 LT&C	1,368'
7" 23# J-55 LT&C	3,575'
7" 26# J-55 LT&C	2,073'
7" 26# P-110 LT&C	2,577'
	9,580'

17-1/2" Hole

8-3/4" Hole

13-3/8" @ 562'
w\ 600 sx (Circ.)

Before

9-5/8" @ 1,505'
w\ 480 sx
1"ed to surface w\ 350 sx

Strawn Sand Perfs: 8,552' - 64' (73), 8,676' - 90' (84), 8,702' - 08' (37)

Atoka Perfs: 8,908' - 8,920' (73)

Morrow Perfs: 9,288' - 9,296' (49)

9537'

TD 9,580'

7" @ 9,580
w\ 1,520 sx (Circ.)

Not to Scale
10/5/06
DC/M.Hill

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w\ 600 sx (Circ.)

After

9-5/8" @ 1,505'
w\ 480 sx
1"ed to surface w\ 350 sx

Canyon Carb. Perfs: 7,768' - 84' (33), 7,906' - 44' (77)

Strawn Lime Perfs: 8,398' - 8,412' (29)

Strawn Sand Perfs: 8,552' - 64' (73), 8,676' - 90' (84), 8,702' - 08' (37)

Atoka Perfs: 8,908' - 8,920' (73)

Morrow Perfs: 9,288' - 9,296' (49)

9537'

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7" @ 9,580
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