DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

Form C-101
Revised March 17, 1999
Instructions on back appropriate District Office
State Lease - 6 Copies
Fee Lease

DISTRICT II 811 South First, Artesia, NM 88210

DISTRICT III

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVERGE

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DISTRICT IN 040 South P	/ acheco, Santa	a Re, NM 8	3750:				•	31 (1.9)	GLY	L AM	IENDED REPORT
APPL	CATIO	N FOR	R PERMI	T TO DE	RILL, RE-E	ENTER. D	EEP	EN. PLUC	GBACK	. OR A	DD A ZONE
			Operator Nat	ne and Addre	ss	, -	T		² OGF	RID Number	
		ates Drillin		025575							
		05 South F		20			³ API Number 30-015-32813				
4 Pr	operty Code	Arte	sia, New I	viexico d	5 Property Na	30-			6 Well No.		
	operty code			Sn	urck 16 Stat					2	
				<u> </u>	~	e Locatio	on				
JL or lot no.	Section	Townsh	ip Range	Lot Idn	Feet from the	North/South		Feet from the	East/We	est Line	County
K	16	178	28E		1980'	North		1980'	We	est	Eddy
		8 P	Proposed	Bottom	Hole Loca	ation If I	Differ	rent Fron	Surfa	ce	
JL or lot no.	Section	Townsh	ip Range	Lot Idn	Feet from the	North/South	Line	Feet from the	East/We	est Line	County
		oposed Pool I		¹⁰ Proposed Pool 2							
11 Work	Type Code	1	12 Well Type	Code	13 Cable/	Rotary	14	Lease Type Cod	e	13 Ground	Level Elevation
	D		G		Work Over Rig			S	3559'		3559'
¹⁶ Multiple			17 Proposed Depth		18 Formation			19 Contractor		20 Spud Date	
	N		10,250		Ches			t Determin	ed [Α	SAP
			21		ed Casing	and Cem	ent]				
Hole Size					g weight/feet Setting Dep			Sacks of Ceme			
	14 3/4" 11"		11 3/4" 8 5/8"		42# 32#		436' 2025') sx) sx	In Place	
7 7/8"			5 1/2"		15.5# & 17#		10081		5 sx	In Place In Place	
7 7/8"		Open Hole		10.5# & 17#		10/250'		100		Open Hole	
		<u> </u>				10,300				Openinole	
Describe the		revention p	orogram, if any		EEPEN or PLUG	essary.	the data		productive 9 (03	zone and p	roposed new productiv
	ge and belief	4 (Sw	true and com	uplete to the best o	Approved by:		CONSER	RVATIO		VISION
Printed name		Cowar				Title:	HE (0 0000		A	IC 9 9 anne
Title: Date:	ory Age	Phone:		Approval DAUG 2 8 2003 Expiration Date: AUG 2 8 2007 Conditions of Approval							
	08/28/03	3	į į	505) 748	-1471	Attached					
				, -							

YATES DRILLING COMPANY

Spurck 16 State Com. #16 Drilling Prognosis Page 2

This well was originally drilled by Yates Drilling Company. It was spudded on June 16, 2003 drilling operations were ceased on July 15, 2003 due to abnormal pressures downhole.

This well was recently drilled to a TD of 10,081'. 5 ½" production casing was run and cemented. The well originally was planned to be drilled to a proposed TD of 10,250' to evaluate the Chester Formation.

Yates Drilling Company proposes to re-enter this well with a work over unit and drill out the float and the shoe on the 5 ½" casing. Drilling will then continue to the original TD of 10,250' or 50' into the Chester Formation. We are planning to complete this well as an open hole producer however if this is not possible a 2 7/8" liner will be run and cemented into place and perforated as needed for production.

MUD PROGRAM: 0-10,250' Salt Gel/Starch (Weight: 9.8-10, Vis: 36-40) Water Loss <10-<12.

BOPE PROGRAM: 5000 # BOPE will be nippled up on 8 5/8" casing.

DISTRICT I 1625 N. French Dr., Hobbs, MK 86240 DISTRICT II 811 South First, Artesia, NM 88810 DISTRICT III 1000 Rio Brazos Ed., Astec, NM 67410

DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87606

State of New Mexico

Rnargy, Minerals and Natural Resources Department

Form C-102 Revised March 17, 1999 Instruction on back Submit to Appropriate District Office

State Lease - 4 Copies Foe Lease - 3 Copies

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

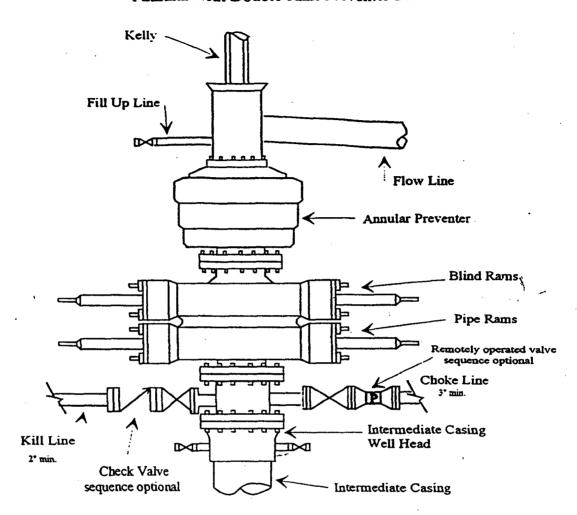
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YATES DRILLING COMPANY



Typical 5,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimun features

