

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
May 27, 2004

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30-005-63905
³ Property Code 26888	³ Property Name Hook AWX State	⁶ Well No. 2
⁹ Proposed Pool 1 Wildcat Precambrian		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
O	8	10S	26E		990'	South	1980'	East	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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3807'
¹⁶ Multiple N	¹⁷ Proposed Depth 6160'	¹⁸ Formation Basement	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP
Depth to Groundwater 50' but less than 1000'		Distance from nearest fresh water well More than 200'/more than 1000'		Distance from nearest surface water more than 1000'
Pit: Liner: Synthetic XX 12_mils thick Clay <input type="checkbox"/>		Pit Volume: _____ 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
12.25	8.625	24#	1100'	750 sx	Surface
7.875	5.5	15.5#	6160'	500 sx	**
*Cement to cover	all oil, gas &	waterbearing zones			

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 Basement 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' FW Gel/Paper/LCM; 1100'-4270' Brine; 4270'-6160' Starch/Salt Gel.

BOPE PROGRAM: a 2000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Basement formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

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 checked="" type="checkbox"/> , or an (attached) alternative NMOCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by: BRYAN G. ARRANT DISTRICT II GEOLOGIST	
Signature: <i>Debbie L. Caffall</i>	Title:	Approval Date: MAY 09 2007
Printed name: Debbie L. Caffall		Expiration Date: MAY 09 2008
Title: Regulatory Agent		
E-mail Address:		
Date: 2/16/07	Phone: (505) 748-4376	Conditions of Approval Attached <input type="checkbox"/>

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

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name Wildcat Precambrian	
⁴ Property Code	⁵ Property Name HOOK AWX STATE				⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name YATES PETROLEUM CORPORATION				⁹ Elevation 3807

¹⁰ Surface Location

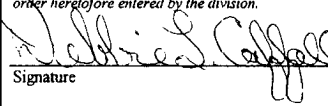
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	8	10S	26E		990	SOUTH	1980	EAST	CHAVES

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

¹² Dedicated Acres 320 E/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				17 OPERATOR CERTIFICATION	
				<i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
				 2/16/2007 Signature Date Debbie L. Caffall Printed Name Regulatory Agent Title	
			VO-5650	18 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>	
				Date of Survey Signature and Seal of Professional Surveyor: REFER TO ORIGINAL PLAT Certificate Number	
				990	1980'

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

DISTRICT II
811 South First, Artesia, NM 88210

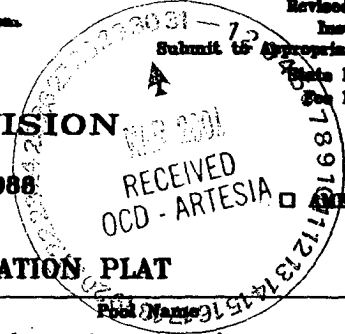
DISTRICT III
1000 E. Brasas Del., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department.

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
Lease - 4 Copies
Fee Lease - 3 Copies

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



EXTENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Wildcat Precambrian
Property Code	Property Name HOOK "AWX" STATE	Well Number 2
OCRED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3807

Surface Location

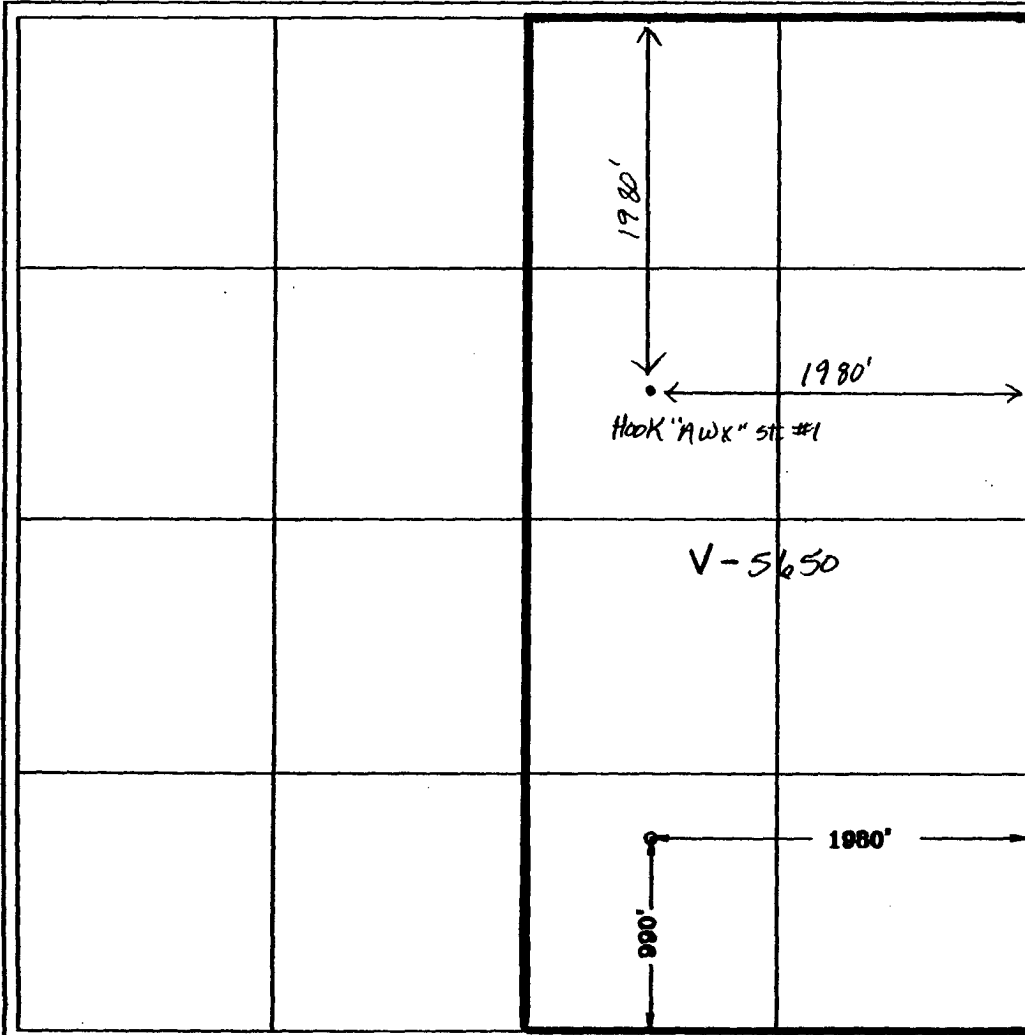
UL or lot No.	Section	Township	Range	Lot kin	Feet from the	North/South line	Feet from the	East/West line	County
0	8	10S	26E		990	SOUTH	1980	EAST	CHAVES

Bottom Hole Location If Different From Surface

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

Dedicated Acres 320.00	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 that the information contained herein is true and complete to the best of my knowledge and belief.

Pat Perez
Signature

Pat Perez
Printed Name

Regulatory Agent
Title

3-30-01
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.

1/12/2001
Date Surveyed

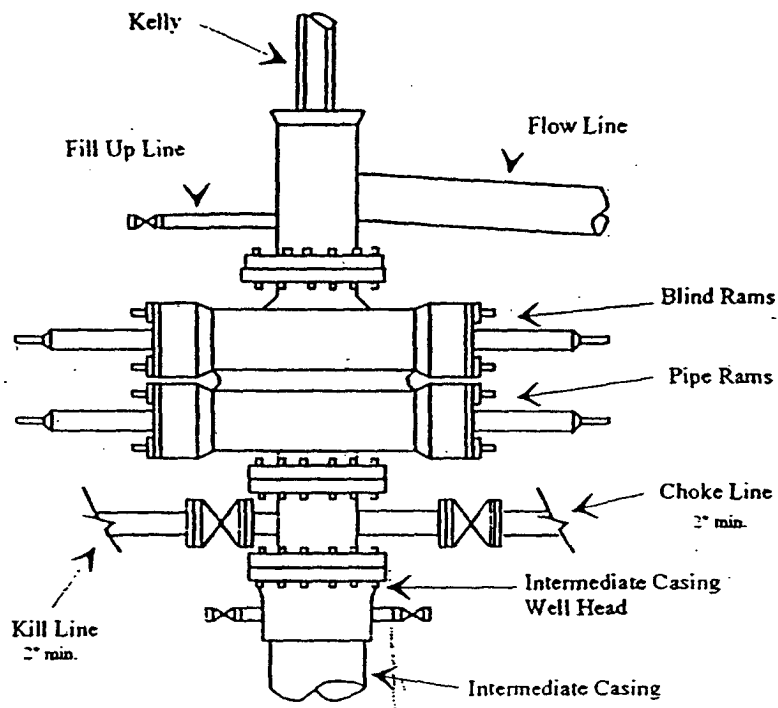
Signature & Seal of Professional Surveyor



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

