

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 30-005-63993
⁴ Property Code 34364	⁵ Property Name Willow Creek BFI State	⁶ Well No. 8
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
I	30	4S	25E	I	1980'	South	660'	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	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3916'
¹⁶ Multiple N	¹⁷ Proposed Depth 5435'	¹⁸ Formation Undesignated Precambrian	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP
Depth to Groundwater Less than 50'		Distance from nearest fresh water well 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 checked="" 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
14.75	11.75	42#	900'	600 sx	0
11	8.625	24#	1600'	550 sx	0
7.875	5.5	15.5#	5435'	650 sx	

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 Precambrian and intermediate formations. Approximately 900' of surface casing will be set and cement circulated to shut off gravel and cavings. The 8.625" intermediate casing will only be set if lost circulation is encountered. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.
MUD PROGRAM: 0-900' FW Gel/Paper/LCM; 900'-1600' Cut Brine; 1600'-3500' Brine; 3500'-5435' Starch/Salt Gel/4-6% KCL.
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 Precambrian 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 NMOC guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: <i>Debbie L. Caffall</i>		Approved by: BRYAN G. ARRANT	
Printed name: Debbie L. Caffall		Title: DISTRICT II GEOLOGIST	
Title: Regulatory Agent		Approval Date: OCT 1 8 2007	Expiration Date: OCT 1 8 2008
E-mail Address:			
Date: 10/11/07	Phone (505) 748-4376	Conditions of Approval Attached <input checked="" type="checkbox"/>	

PREVIOUSLY APPROVED

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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 34364		⁵ Property Name WILLOW CREEK BFI STATE			⁶ Well Number 8
⁷ OGRID No. 025575		⁸ Operator Name YATES PETROLEUM CORPORATION			⁹ Elevation 3916'

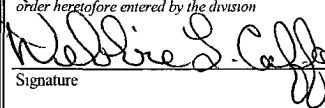
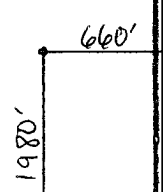
¹⁰ Surface Location

UL or lot no. I	Section 30	Township 4S	Range 25E	Lot Idn	Feet from the 1980	North/South line SOUTH	Feet from the 660	East/West line EAST	County CHAVES
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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.			

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	LG-155	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>  Signature Date 10/11/07 Debbie Caffall Printed Name Regulatory Agent Title	
		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	
			

DISTRICT I
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811 South First, Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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
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 Wildcat Precambrian
Property Code	Property Name WILLOW CREEK "BFI" STATE	Well Number 8
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3907

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	30	4S	25E		1980	SOUTH	660	EAST	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 320	Joint or Infill	Consolidation Code	Order No.						

**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>LG-155</p>	<p>N.33°55'42.9" W.104°21'04.2" N.1065334.7 E.494750.5</p>	<p>660'</p> <p>1980'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p></p> <p>Signature</p> <p>Robert Asher</p> <p>Printed Name</p> <p>Regulatory Agent</p> <p>Title</p> <p>10/19/2004</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>9/06/2004</p> <p>Date Surveyed</p>
				<p></p> <p>Signature of Professional Surveyor</p>
				<p>Certificate No. Herschel Jones RLS 3640</p> <p>WILLOW CREEK</p> <p>GENERAL SURVEYING COMPANY</p>

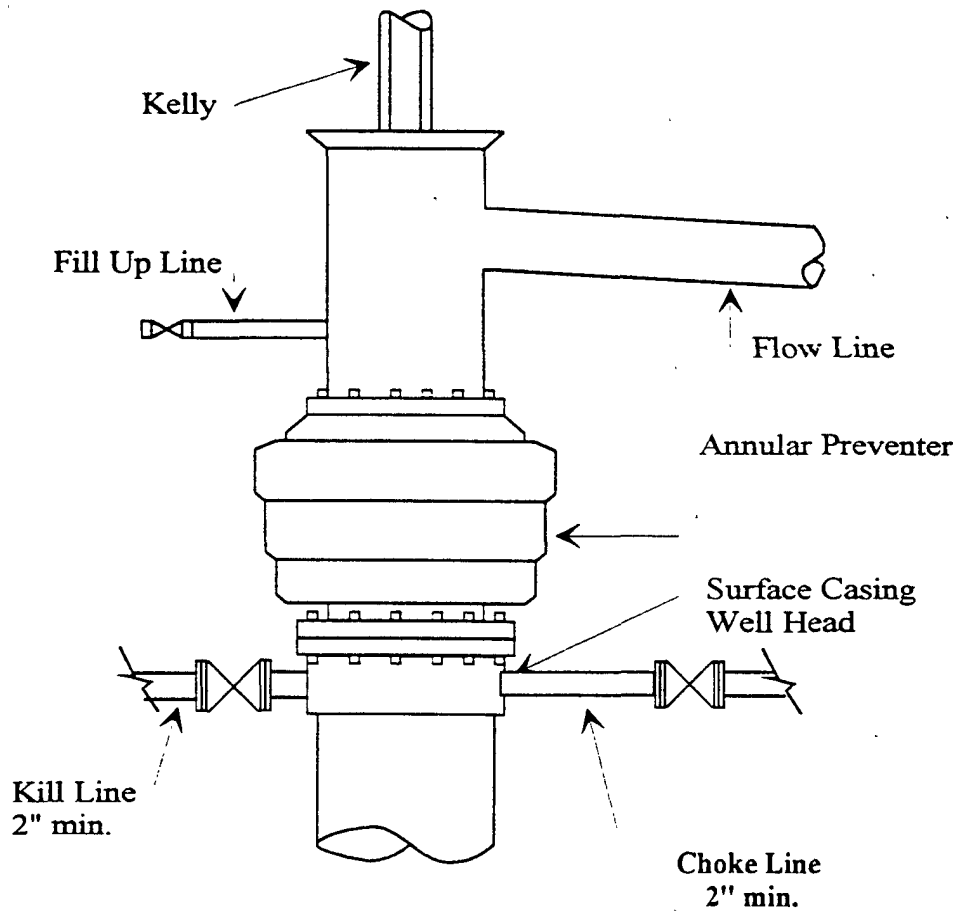
0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'

Yates Petroleum Corporation

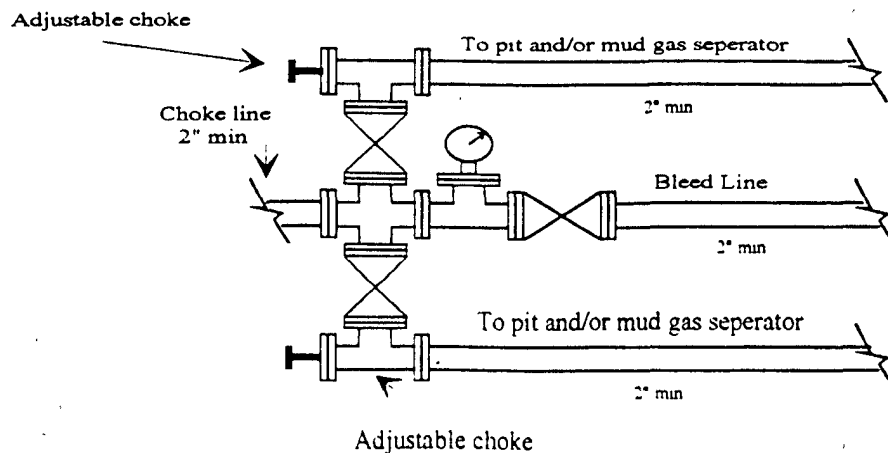
BOP-1

Typical low Pressure System
Schematic

Annular Preventer 2,000 psi



Typical 2,000 psi choke manifold assembly with at least these minimum features



Permit Conditions Of Approval

C-101, Permit 1897

Operator: YATES PETROLEUM CORPORATION , 25575

Well: WILLOW CREEK BFI STATE #008

OCD Reviewer	Condition
VBARTON	As a condition of approval a detailed closure plan must be filed before closure may commence
VBARTON	As a condition of approval if during construction water is encountered or if water seeps in pits after construction the OCD must be contacted immediately
BARRANT	Cement to cover all gas, oil and water bearing zones
BARRANT	Notify OCD time of spud and time to witness the cementing of the surface casing