

District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone (505) 748-1283 Fax: (505) 748-9720

Form C-101  
Permit 68165

State of New Mexico  
Energy, Minerals and Natural Resources

Oil Conservation Division

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

JAN 30 2008  
OCD-ARTESIA

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

1. Operator Name and Address YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA, NM 88210		2. OGRID Number 25575
		3. API Number 30-015-36070
4. Property Code	5. Property Name THURMAN DRAW UNIT	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	16	26S	23E	C	1200	N	1850	W	EDDY

8. Pool Information

Wildcat Mississippian Gas	0
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4341
14. Multiple N	15. Proposed Depth 8750	16. Formation Barnett Shale	17. Contractor	18. Spud Date 1/24/2008
Depth to Ground water 140		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 24000 _____ 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"/>				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	500	350	0
Int1	11	8.625	32	3850	1050	0
Prod	7.875	5.5	17	8750	1075	3850

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill and test the Barnett Shale/intermediate formations. Approximately 500' of surface casing will be set/cemented. Intermediate casing will be set at 3850' and cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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 ☐ a general permit ☒ or an (attached) alternative OCD-approved plan ☐

Printed Name: Cy Cowan  
Title: Regulatory Agent  
Email Address:  
Date: 1/30/08 Phone:

OIL CONSERVATION DIVISION

Approved By: BRYAN G. ARRANT  
Title: DISTRICT II GEOLOGIST

Approved Date: JAN 30 2008 Expiration Date: JAN 30 2010

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 68165

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number	2. Pool Code 96086	3. Pool Name Wildcat Mississippian Gas
4. Property Code 36967	5. Property Name THURMAN DRAW UNIT	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 4341

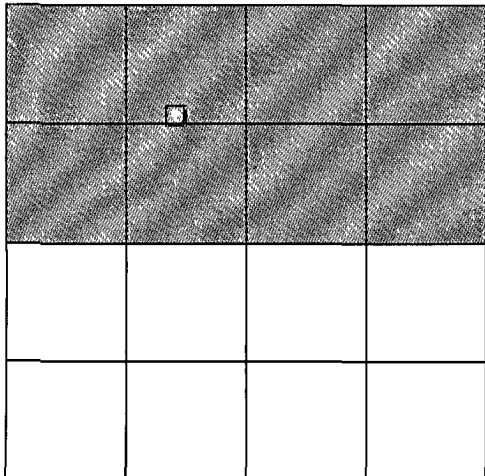
**10. Surface Location**

UL - Lot C	Section 16	Township 26S	Range 23E	Lot Idn	Feet From 1200	N/S Line N	Feet From 1850	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		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**

**OPERATOR CERTIFICATION**

*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(s) 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.*

E-Signed By:

Title:

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.*

Surveyed By: Gary Jones

Date of Survey: 1/15/2008

Certificate Number: 7977

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** THURMAN DRAW UNIT #001

**API:**

Created By	Comment	Comment Date
clif	MUD PROGRAM: 0-500' FW Gel; 500-5745' Cut Brine; 5745-8750' SaltGel/Starch/KCL.	1/23/2008
clif	BOPE PROGRAM: A 3000# BOPE will be installed on the 13.375" casing and tested daily. A 5000# BOPE will be installed on the 7.875" casing and tested daily.	1/23/2008
clif	H2S is possible.	1/23/2008
BArrant	Unless Shirley Pruitt still works for your company, please change who submits regulatory information for Yates Petroleum.	1/30/2008

# **Yates Petroleum Corporation**

**105 S. Fourth Street  
Artesia, NM 88210**

## **Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan**

**For**

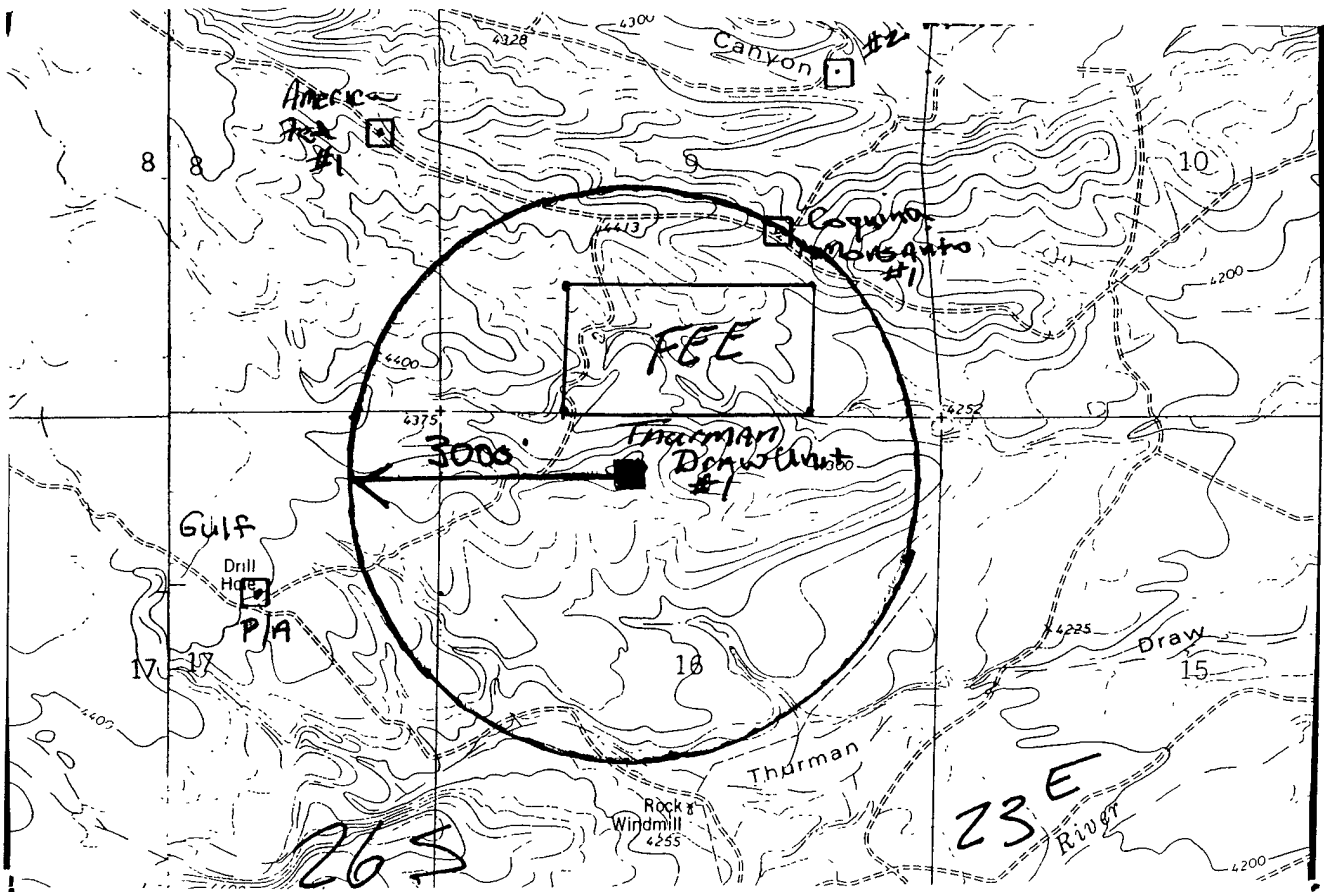
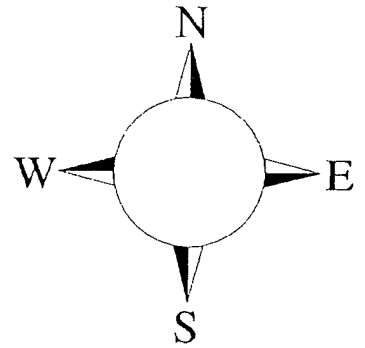
### **Thurman Draw Unit #1**

**1200' FNL, 1850' FWL  
Section 16, T-26S, R-23E  
Eddy County NM**

**JAN 30 2008  
OCD-ARTESIA**

## Thurman Draw Unit #1 Location

This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.



Summit Hill ROE = 3000  
 10 minutes of time to reach trigger activation point

## Emergency Procedures

In the case of a release of gas containing H<sub>2</sub>S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H<sub>2</sub>S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H<sub>2</sub>S monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

## Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO<sub>2</sub>). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

## Characteristics of H<sub>2</sub>S and SO<sub>2</sub>

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H <sub>2</sub> S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO <sub>2</sub>	2.21 Air = 1	2 ppm	N/A	1000 ppm

## Contacting Authorities

YPC personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. YPC Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

## ***Yates Petroleum Corporation Phone Numbers***

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YPC Office .....	(505) 748-1471
Paul Ragsdale/Operations Manager.....	(505) 748-4520
Wade Bennett/Production Manager .....	(505) 748-4236
Ron Beasley/Prod Superintendent .....	(505) 748-4210
Mike Larkin/Drilling .....	(505) 748-4222
Paul Hanes/Prod. Foreman/Roswell .....	(505) 624-2805
Tim Bussell/Drilling Superintendent .....	(505) 748-4221
Artesia Answering Service .....	(505) 748-4302
(During non-office hours)	

### **Agency Call List**

#### **Eddy County (505)**

##### **Artesia**

State Police .....	746-2703
City Police.....	746-2703
Sheriff's Office .....	746-9888
Ambulance .....	911
Fire Department .....	746-2701
LEPC (Local Emergency Planning Committee) .....	746-2122
NMOCD.....	748-1283

##### **Carlsbad**

State Police .....	885-3137
City Police.....	885-2111
Sheriff's Office .....	887-7551
Ambulance .....	911
Fire Department .....	885-2111
LEPC (Local Emergency Planning Committee).....	887-3798
US Bureau of Land Management.....	887-6544

New Mexico Emergency Response Commission (Santa Fe)	(505)476-9600
24 HR .....	(505) 827-9126
New Mexico State Emergency Operations Center.....	(505) 476-9635
National Emergency Response Center (Washington, DC)	...(800) 424-8802

##### **Other**

Boots & Coots IWC .....	1-800-256-9688 or (281) 931-8884
Cudd Pressure Control.....	(915) 699-0139 or (915) 563-3356
Halliburton .....	(505) 746-2757
B. J. Services.....	(505) 746-3569

Flight For Life -4000 24th St, Lubbock, TX .....	(806) 743-9911
Aerocare -Rr 3 Box 49f, Lubbock, TX .....	(806) 747-8923
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuq, NM .....	(505) 842-4433
S B Air Med Svc 2505 Clark Carr Loop SE, Albuq, NM .....	(505) 842-4949