

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  
**JUN 16 2008**  AMENDED REPORT  
**OCD-ARTESIA**

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

<sup>1</sup> Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
<sup>3</sup> Property Code <b>37254</b>		<sup>3</sup> API Number <b>30-015-31641P</b>
<sup>4</sup> Property Name Team BKV State		<sup>6</sup> Well No. #1H
<sup>8</sup> Proposed Pool 1 <i>Cottonwood Creek</i> Wolfcamp		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	17	16S	25E		760	North	285	West	Eddy

<sup>8</sup> 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
D	18	16S	25E		760	North	660	West	Eddy

Additional Well Information

<sup>11</sup> Work Type Code <b>N</b>	<sup>12</sup> Well Type Code <b>G</b>	<sup>13</sup> Cable/Rotary <b>Rotary</b>	<sup>14</sup> Lease Type Code <b>Fee</b>	<sup>15</sup> Ground Level Elevation <b>3545'</b>
<sup>16</sup> Multiple <b>No</b>	<sup>17</sup> Proposed Depth <b>TVD 4730' &amp; MD 9347</b>	<sup>18</sup> Formation <b>Wolfcamp</b>	<sup>19</sup> Contractor	<sup>20</sup> Spud Date <b>ASAP</b>
Depth to Groundwater is approx. 50'		Distance from nearest fresh water well is more than 1000'		Distance from nearest surface water is more than 1000'
Pit Liner: Synthetic <input checked="" type="checkbox"/> 12" mils thick Clay <input type="checkbox"/>		Pit Volume: 24,000 bbls		Drilling Method:
Closed-Loop System <input type="checkbox"/>		Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1000'	500	Surface
7 7/8"	5 1/2"	17#	9347' TMD	1375	Surface

<sup>22</sup> 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 Wolfcamp and intermediate formations. A vertical hole will be drilled to 1000' and 8 5/8" casing will be set and cemented to surface. Will continue to drill a 7 7/8" hole to a vertical depth of 4150'. At this point the well will be directionally drilled at 1? degrees per 100' until horizontal. The lateral will then be drilled to a TVD of 4730' with a measured depth of 9347' where 5 1/2" casing will be set and cemented back to surface.

MUD PROGRAM: 0 to 1000' w/Fresh Water Gel, 1000' to 4150' w/Cut Brine; 4150 to 9347' w/Cut Brine (Horizontal Section).

BOPE PROGRAM: A 3000 psi system will be nipped up and tested on the 8 5/8" casing. The BOP will be tested daily for operational

H2S is not anticipated.

**NOTE: NEW PIT RULE**  
19-15-17 NMAC PART 17  
A form C-144 must be approved  
before starting drilling operations.

<sup>23</sup> I hereby certify that the information given above is best of my knowledge and belief. I further certify that the well is to be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION <i>W. Drum</i> District II Supervisor	
Printed name: Clifton R. May <i>Clifton R. May</i>	Title:	Approval Date: <i>7/2/08</i>	Expiration Date: <i>7/3/10</i>
Title: Regulatory Agent	E-mail Address: <i>cliff@ypcnm.com</i>		
Date: 6/13/2008	Phone: 575-748-4347	Conditions of Approval Attached <input type="checkbox"/>	

*VAH*

*ak*

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-015-36418</b>	Pool Code <b>75250</b>	Pool Name <i>Wottonwood Creek</i> Wolfcamp
Property Code <b>37254</b>	Property Name <b>TEAM "BKV" COM.</b>	
OGRID No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORP.</b>	Well Number <b>1H</b>
		Elevation <b>3545'</b>

Surface Location

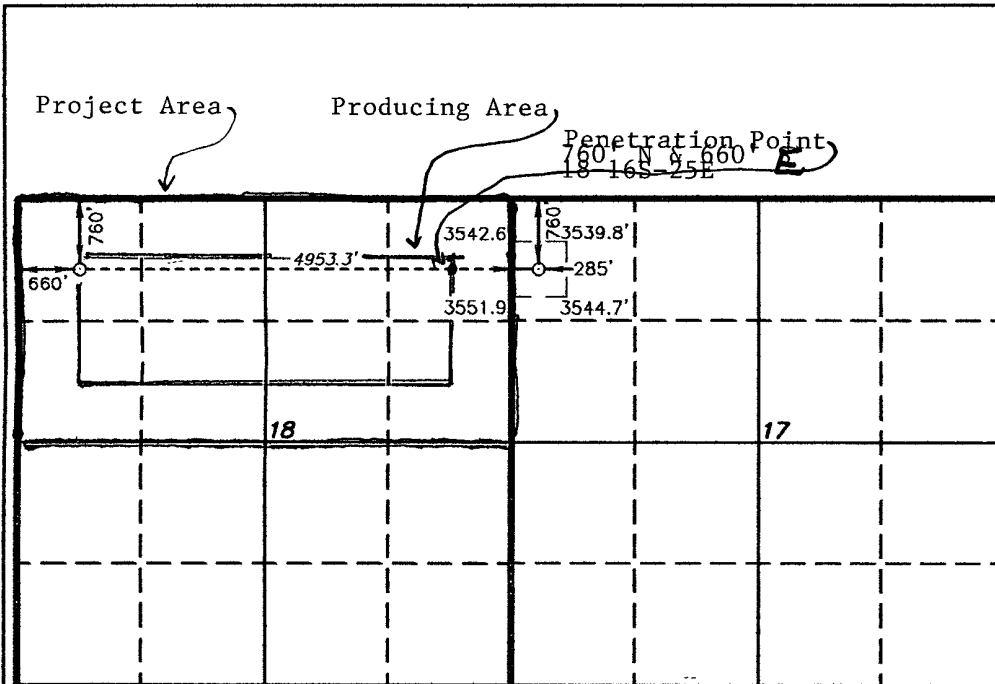
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	17	16 S	25 E		760	NORTH	285	WEST	EDDY

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
D	18	16 S	25 E		760	NORTH	660	WEST	EDDY

Dedicated Acres 320 N2	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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole 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.

*Clifton R. May* 6/13/08  
Signature Date

Clifton R. May  
Printed Name

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.

MAY 12 2008

Date Surveyed  
Signature of Surveyor  
Professional Surveyor

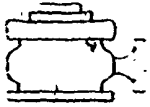


Certificate No. Gary L. Jones 7977

BASIN SURVEYS

**BOTTOM HOLE LOCATION**  
Lat - N32°55'42.01"  
Long - W104°31'53.06"  
SPC- N.: 701520.744  
E.: 480563.879  
(NAD-83)

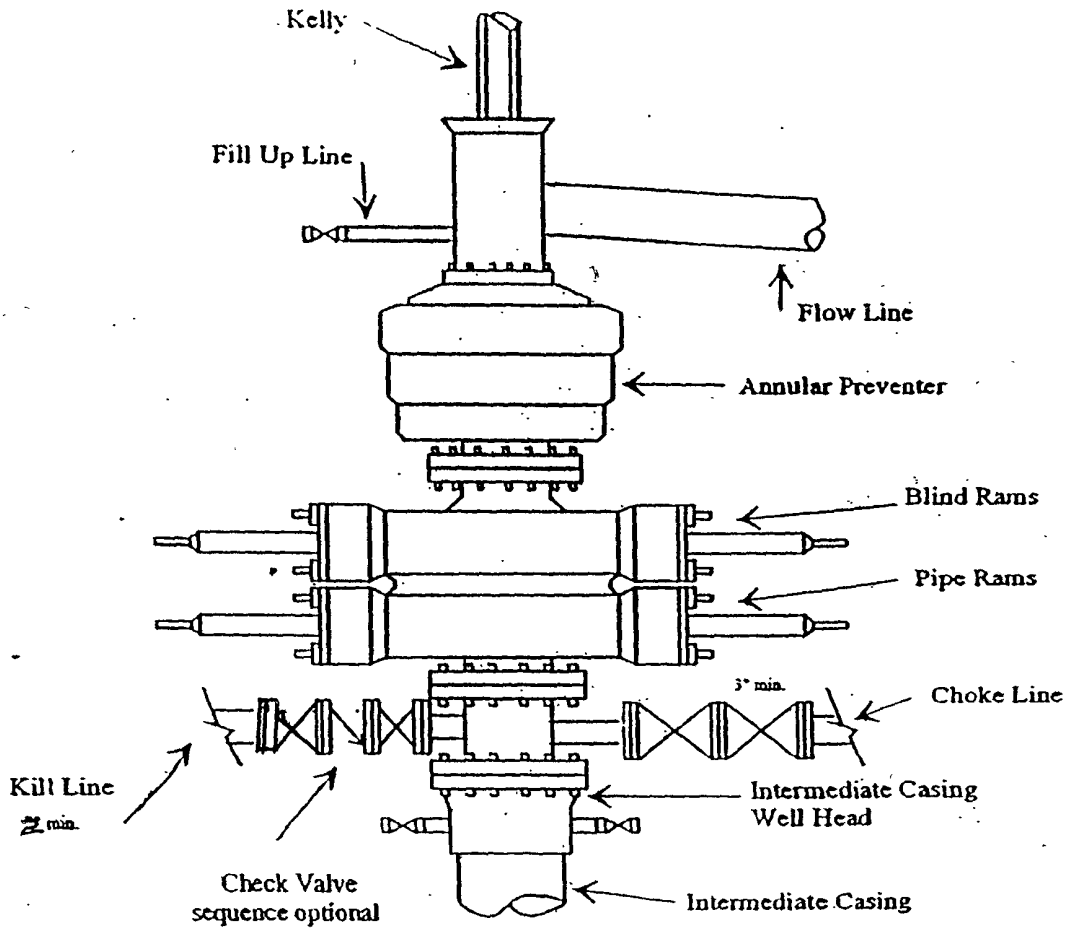
**SURFACE LOCATION**  
Lat - N32°55'42.36"  
Long - W104°30'54.95"  
SPC- N.: 701546.669  
E.: 485517.182  
(NAD-83)



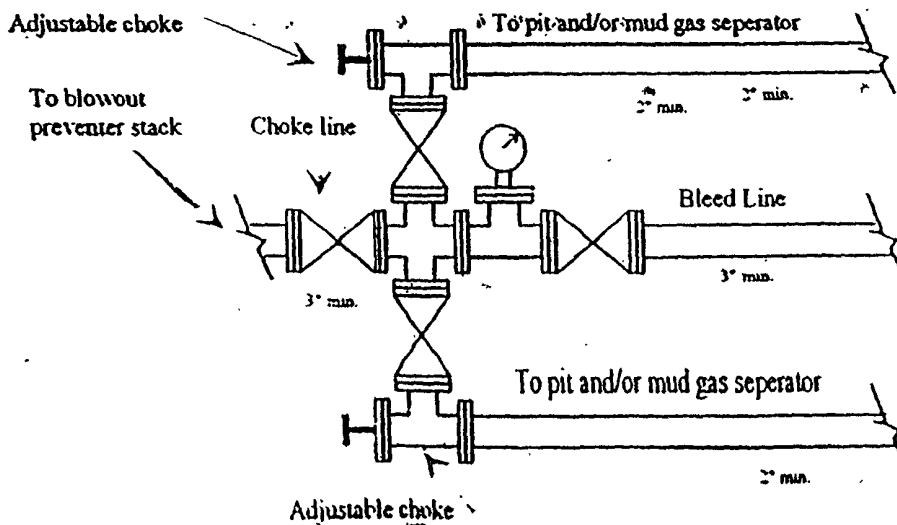
# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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

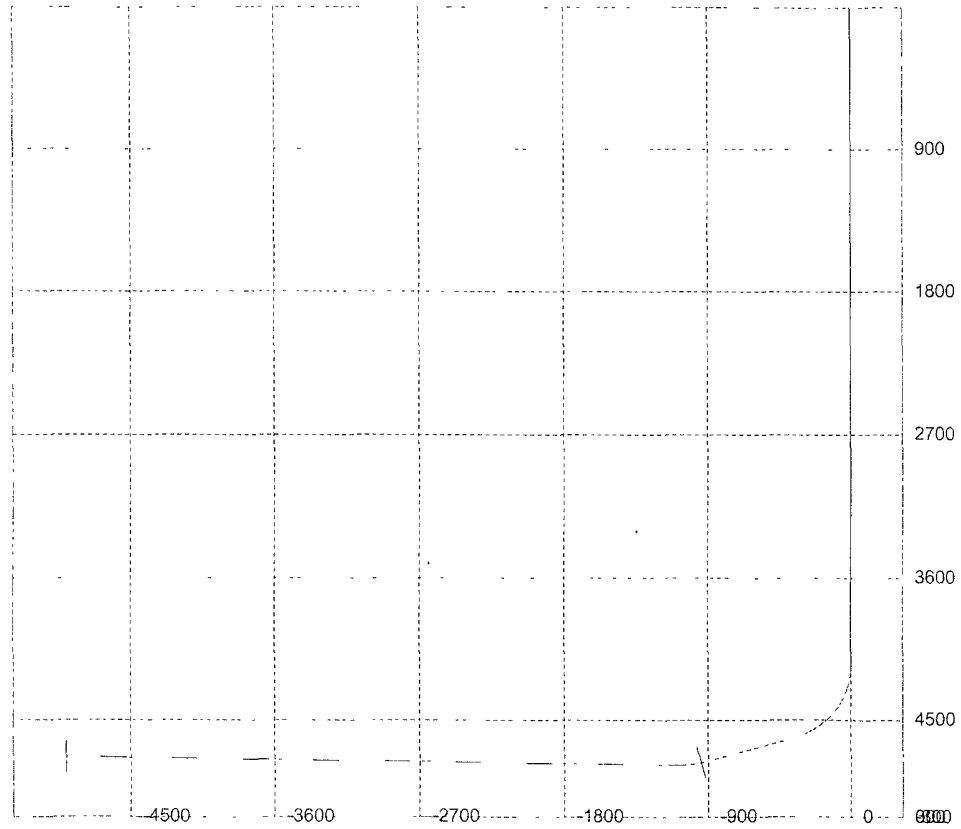


M.D	Inclination	Azimuth	T.V.D	N+/S-	E+/W-	D.L.S	ToolFace	T.F Ref [HS/GN]	
0	0	0	0	0	0	0			
490	0	0	490	0	0	0			SAN ANDRES
1740	0	0	1740	0	0	0			GLORIETA
3040	0	0	3040	0	0	0			TUBB
3740	0	0	3740	0	0	0			ABO
4150	0	0	4150	0	0	12	270	GN	KOP
4175	3	270	4174.99	0	-0.65	12	0	HS	
4200	6	270	4199.91	0	-2.62	12	0	HS	
4225	9	270	4224.69	0	-5.88	12	0	HS	
4250	12	270	4249.27	0	-10.43	12	0	HS	
4275	15	270	4273.58	0	-16.27	12	0	HS	
4300	18	270	4297.54	0	-23.37	12	0	HS	
4325	21	270	4321.11	0	-31.71	12	0	HS	
4350	24	270	4344.2	0	-41.28	12	0	HS	
4375	27	270	4366.77	0	-52.04	12	0	HS	
4400	30	270	4388.73	0	-63.97	12	0	HS	
4425	33	270	4410.05	0	-77.03	12	0	HS	
4450	36	270	4430.65	0	-91.19	12	0	HS	
4475	39	270	4450.48	0	-106.4	12	0	HS	
4500	42	270	4469.49	0	-122.64	12	0	HS	
4525	45	270	4487.62	0	-139.85	12	0	HS	
4550	48	270	4504.83	0	-157.98	12	0	HS	
4575	51	270	4521.06	0	-176.99	12	0	HS	
4600	54	270	4536.28	0	-196.82	12	0	HS	
4625	57	270	4550.44	0	-217.42	12	0	HS	
4650	60	270	4563.5	0	-238.73	12	0	HS	
4675	63	270	4575.42	0	-260.7	12	0	HS	
4700	66	270	4586.19	0	-283.26	12	0	HS	
4725	69	270	4595.75	0	-306.36	12	0	HS	
4750	72	270	4604.1	0	-329.92	12	0	HS	
4775	75	270	4611.2	0	-353.89	12	0	HS	
4778.47	75.42	270	4612.08	0	-357.24	12	0	HS	
5385.79	75.42	270	4765	0	-945	0			WOLFCAMP
5385.79	75.42	270	4765	0	-945	12	0	HS	
5400	77.12	270	4768.37	0	-958.8	12	0	HS	
5425	80.12	270	4773.3	0	-983.31	12	0	HS	
5450	83.12	270	4776.95	0	-1008.04	12	0	HS	
5475	86.12	270	4779.29	0	-1032.92	12	0	HS	
5500	89.12	270	4780.33	0	-1057.9	12	0	HS	
5513.59	90.75	270	4780.34	0	-1071.49	12	0	HS	
9347.43	90.75	270	4730	0	-4905	0			LATERAL TD

Well will be drilled vertically to 4150'. At 4150' the well will be directionally drilled at 12 degrees per 100' with a 7 7/8" hole until horizontal. The lateral will then be drilled to a TVD of 4730' with a MD of 9347' where 5 1/2" casing will be set and cemented. Penetration point for wolfcamp formation is 760' FNL & 660' FEL of sect. 18, 16S-25E

# 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation  
Well: Team BKV      Com. #1H



# 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation

Well: Team BKV - 13 72 Com. #1H

