1625 N. French Dr , Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505				En	ergy Minera	ils and l	Natura	ll Resor		~ .		Form C-10 June 16, 20
				Oil Conservation Div 1220 South St. Franci Santa Fe, NM 8750			is Dr.	AUG 1.4	Submit to appropriate District Offic <b>2008</b> AMENDED REPOR'			
			PERMIT TO	O DRII		-			ocd-ar	1Egin	4	
			A ZONE									
			Operator Name	and Address			<sup>2</sup> OGRID Number					
			Yates Petroleum	um Corporation					025575 3 API Number			
			105 S 4 <sup>th</sup>			÷			30-005-62553			553
<sup>3</sup> Prope	erty Code		Artesia, NN	4 88210	<sup>5</sup> Property	Name		9			<sup>6</sup> Wel	
1.041	26800		Hard As Nails AM							3		
			Proposed Pool 1	6					<sup>10</sup> Proj	posed Pool 2		
<sup>7</sup> Surface	Locatio		Foor Ranch; Wol	Icamp							<u>.</u>	
UL or lot no	Section	Township	Range	Lot I	ldn Feet fr	rom the	North/S	outh line	Feet from the	East/Wes	st line	County
J	27	9S	26E			80'		uth	1980'	East		Chaves
<sup>8</sup> Proposed	Bottom I	Hole Loca	tion If Differen	nt From S	urface			A				
UL or lot no	Section	Township	Range	Lot I	idn Feet fr	om the	North/S	South lm	Feet from the	East/Wes	st line	County
Addition	al Well	Informat	tion							_1		
	Type Code		<sup>12</sup> Well Type Co	ode	<sup>13</sup> Cabl	e/Rotary		14	Lease Type Code		<sup>15</sup> Grou	nd Level Elevation
	Е		G			R			S			3802.2'
<sup>16</sup> Multiple		<sup>17</sup> Proposed Depth		<sup>18</sup> For	<sup>18</sup> Formation			<sup>19</sup> Contractor		2	<sup>20</sup> Spud Date	
<sup>21</sup> Propos Hole S 12 ½	N Seed Casi	Ca	6530' Cement Prog sing Size 3 5/8''		g weight/foot 42#	fcamp Se	etting Do 978'		Sacks of C			ASAP Estimated TOC In Place
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<sup>21</sup> Propos Hole S 12 ½ 7 7/8	N sed Casi Size 4" 3"	Ca	6530' Cement Prog sing Size 3 5/8'' 5 1/2''	Casing	g weight/foot 42# 24#	Se	978 <sup>,</sup> 6530	epth	Sacks of C 475 s As neces	ssary		Estimated TOC In Place 43200 Sec
<sup>21</sup> Propos Hole S 12 ½ 7 7/8 <sup>22</sup> Describe t Describe the See Attache C-144 Atta Sources at	N sed Casi Size 4" 3" the propose blowout pr ed Page # iched. YPC hav	Ca 8 d program. evention pro 42. Re-ent e relayed i	6530' Cement Prog sing Size 3 5/8" 5 ½" If this application ogram, if any. Us rry.	Casing n is to DEE se additiona me that tl	g weight/foot 42# 24# PEN or PLUG B al sheets if necess hey believe th	ACK, give	978' 6530 e the dat	a on the p	Sacks of C 475 s As neces	sx ssary zone and pro	oposed 1	Estimated TOC In Place 43200 Sur new productive zor
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#### YATES PETROLEUM CORPORATION Re-entry Procedure Hard as Nails AMD State #3 Drilling Prognosis Page 2

This well was originally drilled by Yates Petroleum Corporation as the Hard as Nails State Unit #1 on November 18, 1987. Yates Petroleum Corporation proposes to re-enter this well with a drilling rig and drill out plugs in the 8 5/8" casing and in the 7 7/8" open hole to 5100". The well will be deepened to 6200' in the Ordovican Formation. A new suite of open hole logs will be run then a string of 5 ½" casing will be run to TD and cemented back to 3,000'+-. The well will then be completed with a pulling unit. The formation to be tested will be the Welfcamp Formation.

### MUD PROGRAM:

0-5100' Brine; 5100'-6200' Salt Gel/Starch. Wt 9.3-10.2. Vis 32-40, <10cc.

BOPE PROGRAM: 2000 # BOPE will be nippled up on 8 5/8 in casing.

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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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

<sup>1</sup> API Number					<sup>3</sup> Pool Name						
30-005-62553				76750 Undes. Foor Ranch; W							
ode				<sup>3</sup> Property Na	me	· w	' Well Number				
1			HARD AS NAILS AMD STATE COM					3			
<sup>7</sup> OGRID No.				<sup>a</sup> Operator Name							
025575				YATES PETROLEUM CORPORATION							
				<sup>10</sup> Surface L	ocation						
lot se. Section Township			Lot Idu	Feet from the	North/South line	Feet from the	East/West line	County			
27	9S	26E		1980	SOUTH	1980	EAST	CHAVES			
		<sup>11</sup> Bot	tom Hole	Location If	Different From	Surface					
Section	Township	Range	Lot idu	Feet from the	North/South line	Feet from the	Enst/West Hue	County			
<sup>13</sup> Joint o	r Infill <sup>14</sup> Co	asolidation C	ode 13 Order	r No.	<b>I</b>		<u>1</u>				
	-005-6255 Tode	-005-62553 Total Section Township 27 95 Section Township 15 Joint or Infill <sup>16</sup> Co	-005-62553 iode No. Section Township Range 27 9S 26E 11 Bot Section Township Range <sup>19</sup> Joint or Iafili <sup>14</sup> Consolidation C	-005-62553 76750 iode HARD No. YATES Section Township Range Lot Ida 27 9S 26E 11 Bottom Hole Section Township Range Lot Ida 11 Bottom Hole Section Township Range Lot Ida	-005-62553     76750       iode <sup>3</sup> Property Na       HARD AS NAILS AMD       No. <sup>3</sup> Operator Na       YATES PETROLEUM C       10       Section     Township       PS     26E       11     Bottom Hole Location If       Section     Township       Range     Lot Ida       Peet from the       1980       11     Bottom Hole Location If       Section     Township       Range     Lot Ida       Peet from the       1980	-005-62553     76750     Un       iode     ' Property Name       HARD AS NAILS AMD STATE COM       No.     ' Operator Name       YATES PETROLEUM CORPORATION       10     Surface Location       Section     Township       27     9S       26E     1980       SOUTH       11     Bottom Hole Location If Different From       Section     Township       Range     Lot Ids       Feet from the     North/South line       South     11       Bottom Hole Location If Different From       Section     Township       Range     Lot Ids       Feet from the     North/South line       10     Joint or Iafilit       10     Order No.	-005-62553     76750     Undex. Foor Ranch;       'Property Name       HARD AS NAILS AMD STATE COM       'Operator Name       YATES PETROLEUM CORPORATION       10 Surface Location       Section       YATES PETROLEUM CORPORATION       10 Surface Location       YEAR       YEAR <td colsp<="" td=""><td>-005-62553       76750       Undes. Foor Ranch; Wolfcamp         inde       i Property Name       i W         HARD AS NAILS AMD STATE COM       i W         No.       i Operator Name       i W         VATES PETROLEUM CORPORATION       3.1         IO Surface Location         Section         7       9S       26E         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids         Lot Ids       Feet from the         North/South line       Feet from the         Section         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids       Feet from the       North/South line       Feet from the       East/West Hate         I'' Joint or Iafilit       '' Consolidation Code       ''' Order No.</td></td>	<td>-005-62553       76750       Undes. Foor Ranch; Wolfcamp         inde       i Property Name       i W         HARD AS NAILS AMD STATE COM       i W         No.       i Operator Name       i W         VATES PETROLEUM CORPORATION       3.1         IO Surface Location         Section         7       9S       26E         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids         Lot Ids       Feet from the         North/South line       Feet from the         Section         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids       Feet from the       North/South line       Feet from the       East/West Hate         I'' Joint or Iafilit       '' Consolidation Code       ''' Order No.</td>	-005-62553       76750       Undes. Foor Ranch; Wolfcamp         inde       i Property Name       i W         HARD AS NAILS AMD STATE COM       i W         No.       i Operator Name       i W         VATES PETROLEUM CORPORATION       3.1         IO Surface Location         Section         7       9S       26E         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids         Lot Ids       Feet from the         North/South line       Feet from the         Section         II Bottom Hole Location If Different From Surface         Section       Township         Range       Lot Ids       Feet from the       North/South line       Feet from the       East/West Hate         I'' Joint or Iafilit       '' 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.

16					<sup>17</sup> OPERATOR CERTIFICATION
		1			I hereby carify that the information contained herein is true and complete
		1			to the best of my knowledge and beief, and that this organization either
					owns a working interest or unleased numeral interest in the land including
		1			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 so a voluntary pooling agreement or a compulsary pooling
		1			In the home of the content of the division
		LC	-8138		J. allie S. Callellerian
					Signaturo () Date
					Debbue L. Caffall Printed Naroe
					Regulatory Agent
					1 xiie
					<sup>18</sup> SURVEYOR CERTIFICATION
		4			I hereby certify that the well location shown on this
				1980'	plat was plotted from field notes of actual surveys
			1		made by me or under my supervision, and that the
		8			same is true and correct to the best of my belief
		6	]		
			1 _		
		8	fF		Date of Survey
					Signature and Scal of Professional Surveyor:
		980		V-5639	REFER TO ORIGINAL PLAT
		5	Į 8	-5037	
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				L	Certuficate Number
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# NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

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Phile C-192 Supervodes C-12 Efféctive 1-1-15

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YATES PETROLEUM CORPORATION	L.	HARD AS NA	ILS STATE U	NIT	Well He.	<u>Pining dipaka</u>
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1980 feet tom the South	tine and	1980		last	· · ·	
3803.2 Producting Parameters		PECOS SLO	re Alo	Denki	Contrat According	
1. Outline the across dedicated to	be subject well	by calored peaci	or bechure m	ute on the pla	n below.	
2. If more then one lease in dedicat interest and royalty).	ed to the well.	outline each and i	dentify the on	aorable sheree	l (both as to wa	eking.
3. If more than one lease of different:	amaankin tu da	وبيد مراد مع الموسطة	1 kain sha tas			• • • •
dated by communitization, unitizati	m, larce-pooling	hele?			· ·	12011-
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forced-pooling, as athornion) or until a ion.	a non-standard	wit, climincting a	uch interests,	han been app	reved by the Co	nmin-
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	· <b></b>	SEP 20		Name   Clif	ton R. May	J
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		- DCEI		Octob	<u>er 14, 1987</u>	
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·	1000 Co 00	1000 1000	Ann. a	A	.3640	



## **Yates Petroleum Corporation**

Typical 2,000 psi Pressure System Schematic Double Ram Preventer Stack



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



Adjustable choke