

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
841 South First, 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

RECEIVED

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

JAN 05 2004

Form C-101  
Revised March 17, 1999

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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, NM 88210		<sup>2</sup> OGRID Number 025575
<sup>3</sup> Property Code 28492	<sup>5</sup> Property Name Casino AXC State	<sup>3</sup> API Number 30-005-63403
		<sup>6</sup> Well No. 1

<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
K	2	10S	26E		1980	South	1980	West	Chaves

<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

<sup>9</sup> Proposed Pool 1

Foor Ranch Wolfcamp

<sup>10</sup> Proposed Pool 2

<sup>11</sup> Work Type Code P	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary N/A	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3863' GR
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth N/A	<sup>18</sup> Formation Siluro-Devonian	<sup>19</sup> Contractor N/A	<sup>20</sup> Spud Date N/A

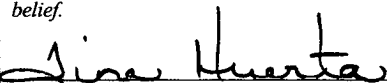
<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

<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 plans to perforate in the Cisco as follows: set 4-1/2" CIBP at 6150' and cap with 35' cement. Perforate Cisco 5880'-5886' (24), 5890'-5894' (16) for a total of 40 holes. Stimulate as needed. If the gas production rate is low, plan to recompleate to the Wolfcamp as follows: set an RBP at 5450'. Perforate Wolfcamp 5284'-5294' (40), 5376'-5386' (40) for a total of 80 holes. Stimulate as needed. Plan to test this zone and possibly commingle the Wolfcamp with the Cisco. *w/ Santa Fe approval*

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Tina Huerta</i>		Approved by: <i>John P. Geron</i> <i>District Supervisor</i>	
Printed name: Tina Huerta		Title:	
Title: Regulatory Compliance Supervisor		Approval Date: JAN 6 2003	Expiration Date: JAN 6 2004
Date: January 2, 2004	Phone: (505) 748-1471	Conditions of Approval: Attached <input type="checkbox"/>	

<div>16</div>				<div>17</div> <div>OPERATOR CERTIFICATION</div> <div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div> <div></div> <div>Signature</div>
		<div>RECEIVED</div> <div>JAN 05 2004</div> <div>OCD-ARTESIA</div>		<div>Tina Huerta</div> <div>Printed Name</div> <div>Regulatory Compliance Supervisor</div> <div>Title and E-mail Address</div> <div>January 2, 2004</div> <div>Date</div>
<div>1980' W</div>	<div>1980' S</div>		<div>VO-5583</div>	<div>18</div> <div>SURVEYOR CERTIFICATION</div> <div>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.</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> <div>Certificate Number</div>

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
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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 June 10, 2003  
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 <b>30-005-63403</b>	<sup>2</sup> Pool Code <b>76730</b>	<sup>3</sup> Pool Name <b>Foor Ranch Pre-Permian</b>
<sup>4</sup> Property Code <b>28492</b>	<sup>5</sup> Property Name <b>Casino AXC State</b>	
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	
		<sup>6</sup> Well Number <b>1</b>
		<sup>9</sup> Elevation <b>3863'GR</b>

<sup>10</sup> Surface Location

UL or lot no. <b>K</b>	Section <b>2</b>	Township <b>10S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>1980</b>	North/South line <b>South</b>	Feet from the <b>1980</b>	East/West line <b>West</b>	County <b>Chaves</b>
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>320</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> 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

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Tina Huerta Printed Name Regulatory Compliance Supervisor Title and E-mail Address January 2, 2004 Date	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <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: Certificate Number	

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (305) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

January 5, 2004

Mr. Bryan Arrant  
Oil Conservation Division, District II Office  
1301 W. Grand Ave.  
Artesia, NM 88210

Re: Casino AXC State #1  
1980'FSL & 1980'FWL of Section 3-T10S-R26E  
Chaves County, New Mexico  
H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Foor Ranch Wolfcamp Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta  
Regulatory Compliance Supervisor