

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  
June 16, 2008

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**

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-015-26185
<sup>3</sup> Property Code 34877	<sup>5</sup> Property Name Dee 36 SE State Com.	<sup>6</sup> Well No. 7H
<sup>9</sup> Proposed Pool 1 North Dagger Draw Upper Pennt (15472)		<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
M	36	19 S	24 E		940	South	990	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
P	36	19S	24E		940	South	660	East	Eddy

Additional Well Information

<sup>11</sup> Work Type Code Re-Enter	<sup>12</sup> Well Type Code Oil	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3621.0
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 10932 MD & 7555 TVD	<sup>18</sup> Formation Cisco	<sup>19</sup> Contractor	<sup>20</sup> Spud Date

<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"	9 5/8"	36#	1205-in place	1426	0
8 3/4"	7"	26#	8100-in place	2150	0
6 1/8"	4 1/2"	11.6#	10932	425	6800

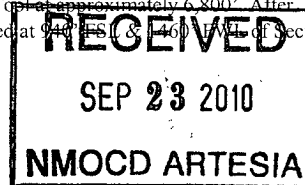
<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to set a CIBP at 7400' with 35' of cement on top. The well will be secured with a starting head with a cap. The pulling unit will then move off. Drilling rig will move on and nipple up 3000# BOP system and set whipstock plug to kick off with a 6 1/8" hole at approximately 7030'. The 6 1/8" hole will be drilled at 12\*/100' to 10932' MD(7555' TVD) where 4 1/2" casing will be set and cemented up to the DV Top at approximately 6800'. After completion procedures, the 4 1/2" will be cut and pulled at 6800'. Penetration point of the producing zone will be encountered at 940' FSL & 1460' FSL of Section 36-19S-24E. Deepest TVD in the lateral will be 7555'.

Mud Program: From 7030' to 10932' with cut brine with a weight of 8.9-9.3 and water loss of <=15.

BOPE: A3000 psi system nipped up on the 9 5/8" casing.

H2S: H2S is not anticipated in this well.



<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>Clifton May</i>		Approved by: <i>RR Dade</i>	
Printed name: Clifton May		Title: <i>Dist # Supervisor</i>	
Title: Land Regulatory Agent		Approval Date: OCT 18 2010	Expiration Date: 10/18/2011
E-mail Address: Cliff@yatespetroleum.com			
Date: 9/20/2010	Phone: 748-4347	Conditions of Approval Attached <input type="checkbox"/>	

## District I

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## State of New Mexico

Energy, Minerals &amp; Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-26185		<sup>2</sup> Pool Code 15472		<sup>3</sup> Pool Name North Dagger Draw Upper Penn	
<sup>4</sup> Property Code 34877		<sup>5</sup> Property Name DEE 36 SE State Com			<sup>6</sup> Well Number 7H
<sup>7</sup> OGRID No. 025575		<sup>8</sup> Operator Name Yates Petroleum Corporation			<sup>9</sup> Elevation 3621

<sup>10</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
M	36	19S	24E		940	S	940	W	Eddy

<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
P	36	19S	24E		940	S	660	E	Eddy

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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. Signature <u>Clifton May</u> Date <u>9/20/10</u> Printed Name <u>Clifton May</u> E-mail Address <u>cliff@yatespetroleum.com</u>		
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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. <b>REFER TO ORIGINAL PLAT</b> Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____		

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

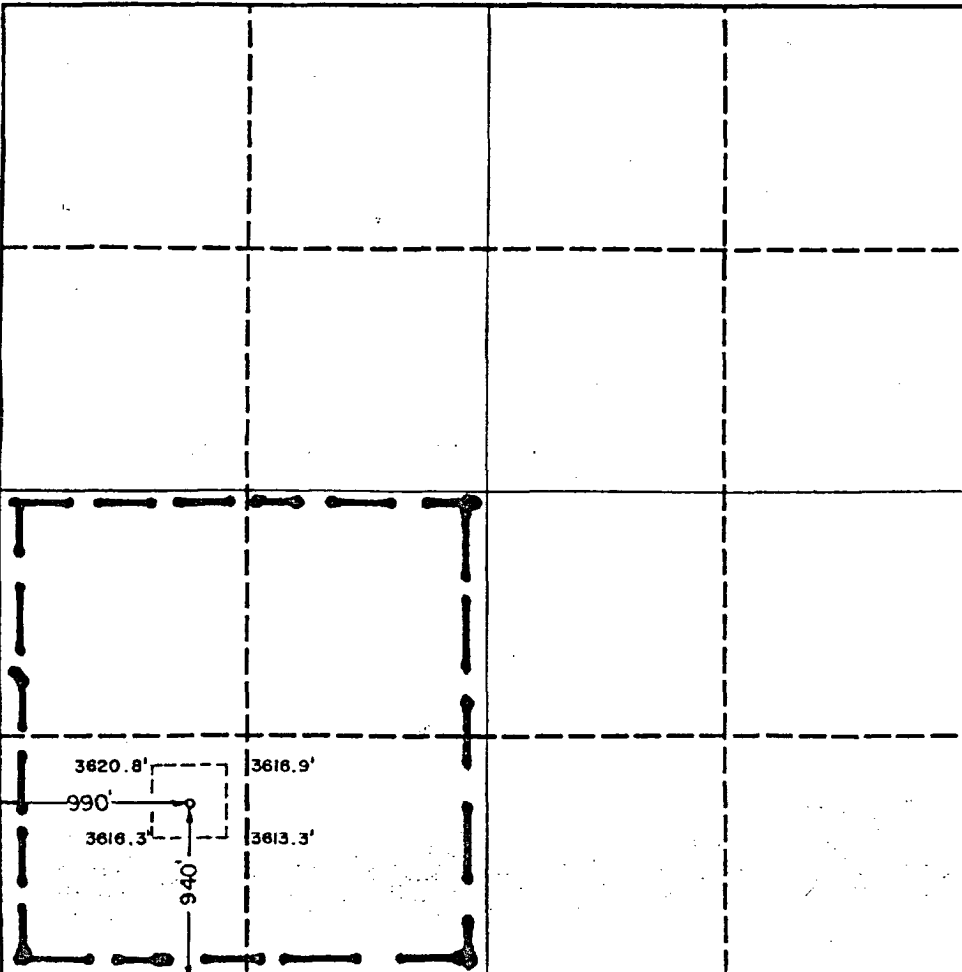
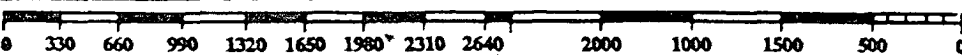
Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Conoco, Inc.		Lease Dee State		Well No. 2
Unit Letter M	Section 36	Township 19 South	Range 24 East	County Eddy
Actual Footage Location of Well: 940 feet from the South line and 990 feet from the West line				
Ground level Elev. 3621.0	Producing Formation Cisco Canyon	Pool North Dagger New Upper Penn.	Dedicated Acreage: 160 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation <u>Force-pooling</u></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				
			<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
			Signature <i>W. W. Baker</i> Printed Name W. W. Baker Position Administrative Supv. Company Conoco Inc. Date December 20, 1989	
			<b>SURVEYOR CERTIFICATION</b> 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 knowledge and belief.	
			Date Surveyed December 20, 1989 Professional Engineer No. 676 Registered Professional Surveyor J. EIDSON, 3239	

WELL NAME: Dee 36 #7H

FIELD:

LOCATION: 940' FSL & 990' FWL of Section 36-19S-24E Eddy Co., NM

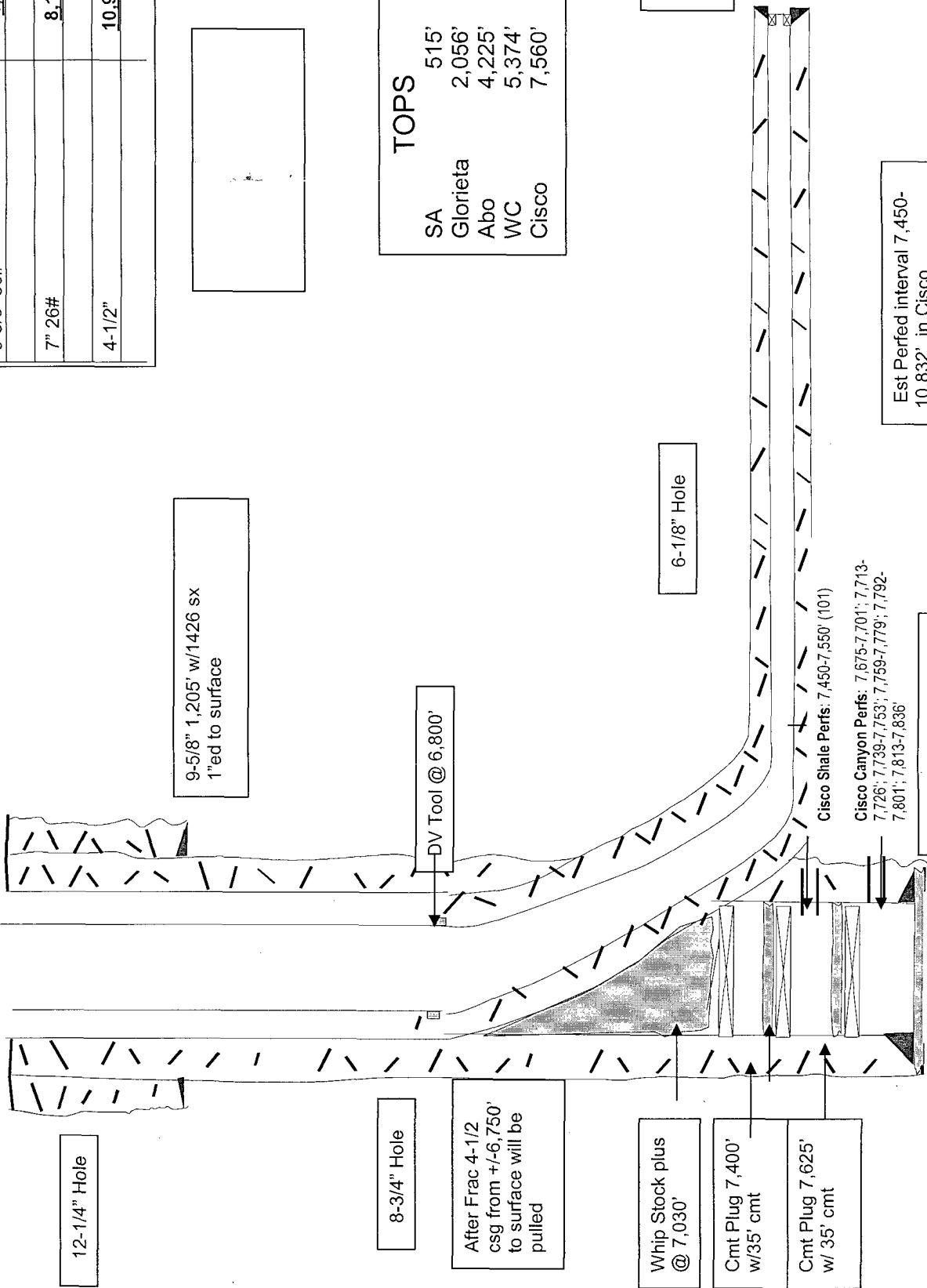
GL: 3,621' ZERO: 14' KB: 3,635'

SPUD DATE: 1/15/90 COMPLETION DATE:

COMMENTS: API No.: 30-015-26185

### CASING PROGRAM

9-5/8" 36#	1,205
7" 26#	8,100'
4-1/2"	10,932'



9-5/8" 1,205' w/1426 sx  
1"ed to surface

8-3/4" Hole

After Frac 4-1/2  
csg from +/-6,750'  
to surface will be  
pulled

Whip Stock plus  
@ 7,030'

Cmt Plug 7,400'  
w/ 35' cmt

Cmt Plug 7,625'  
w/ 35' cmt

PBTD: 8,023'  
TD: 8,100'

7" @ 8,100' w/  
1st Stage: 1100 sx  
2nd Stage: 1050 sx (Circ)

Cisco Shale Perfs: 7,450-7,550' (101)  
Cisco Canyon Perfs: 7,675-7,701'; 7,713-  
7,726'; 7,739-7,753'; 7,759-7,779'; 7,792-  
7,801'; 7,813-7,836'

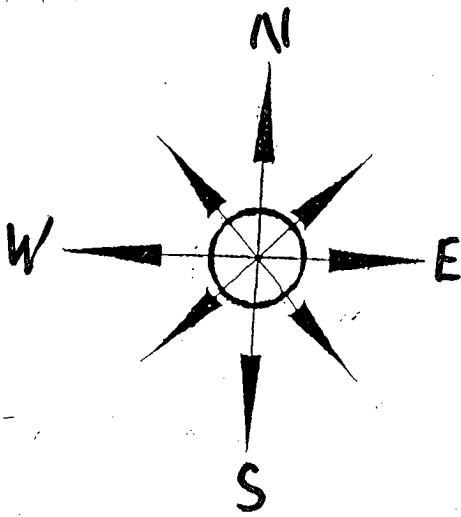
TOPS	
SA	515'
Glorieta	2,056'
Abo	4,225'
WC	5,374'
Cisco	7,560'

6-1/8" Hole

4-1/2" Casing @  
10,932' w/ 425 sx  
cmt

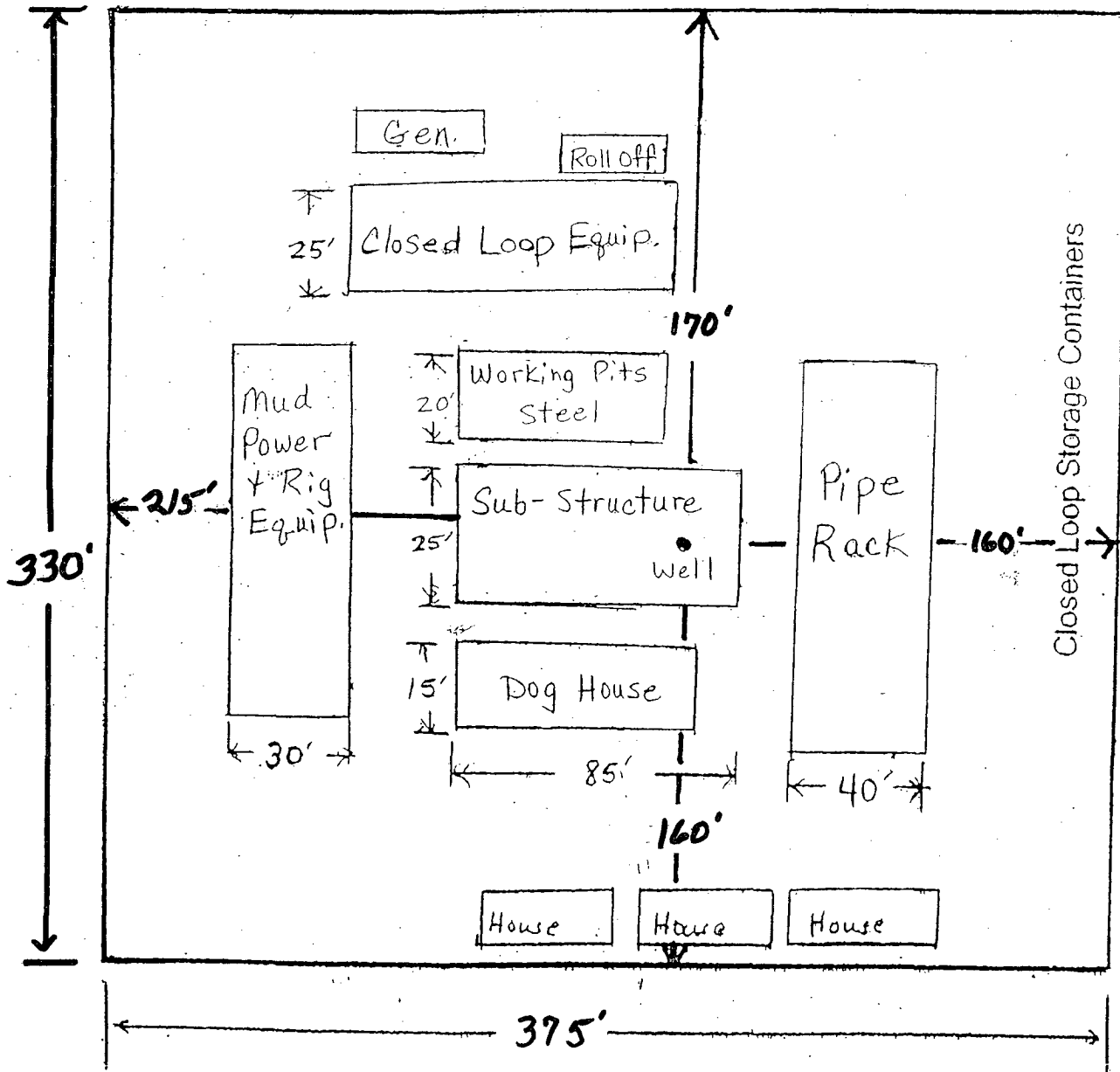
Est Perfed interval 7,450-  
10,832' in Cisco

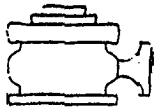
Not to Scale  
9/15/10  
DC/Mike H.



Yates Petroleum Corporation  
Location Layout for Permian Basin

Closed Loop Design Plan

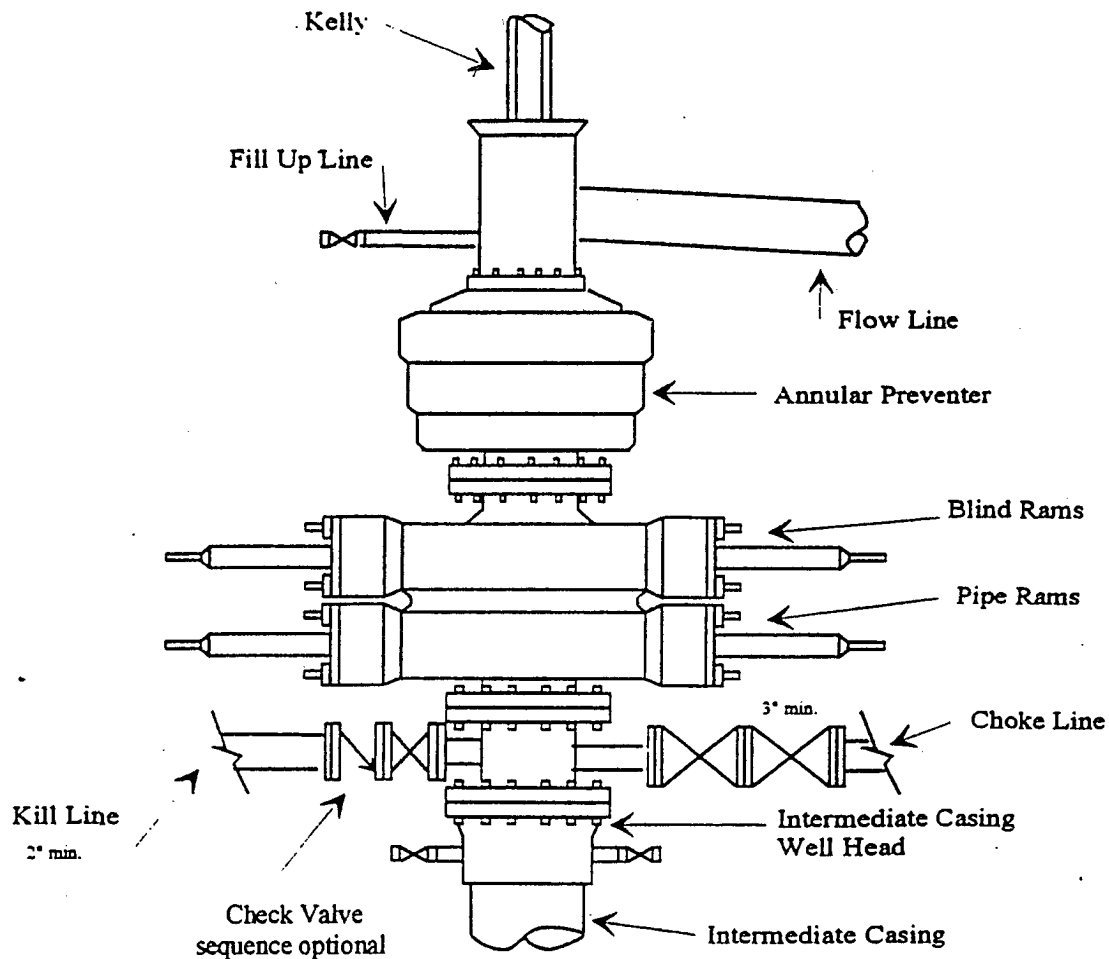




# Yates Petroleum Corporation

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

