

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

☐ 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 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-045-34587
<sup>4</sup> Property Code 12682	<sup>5</sup> Property Name Ristra AGW State	<sup>6</sup> Well No. 2
<sup>9</sup> Proposed Pool 1 Bisti Lower-Gallup		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	32	24N	9W		683'	South	2080'	West	San Juan

**8 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

**Additional Well Information**

<sup>11</sup> Work Type Code New well	<sup>12</sup> Well Type Code Oil	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 6820'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 5060'	<sup>18</sup> Formation Mancos Formation	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date
Depth to Groundwater 100' or more		Distance from nearest fresh water well More than 1000'		Distance from nearest surface water More than 500'
Pit: Liner: Synthetic XX 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 type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.25	8.625	24	320'	225	0
7.875	5.5	15.5	5060'	900	0

<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 Mancos and intermediate formations. Approximately 320' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**MUD PROGRAM:** 0-320' Fresh Water/Spud Mud; 320'-TD Polymer/Starch.

**BOPE PROGRAM:** a 2000# BOPE system nipped up on 8 5/8" casing and tested daily for operational. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Mancos formation meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

**NOTIFY AZTEC OCD 24 HRS.  
PRIOR TO CASING & CEMENT**

<sup>23</sup> 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 ☐.

Signature: *Clifton R. May*  
Printed name: Clifton R. May

Title: Regulatory Agent

E-mail Address: cliff@ypcnm.com

Date: 1/31/08

Phone: (575) 748-4347

**OIL CONSERVATION DIVISION**

Approved by

Title: *DEPUTY OIL & GAS INSPECTOR, DIST. #*

Approval Date: FEB 06 2008

Expiration Date:

Conditions of Approval Attached ☐

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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 30045-34587	<sup>2</sup> Pool Code 5890	<sup>3</sup> Pool Name Bisti Lower Gallup
<sup>4</sup> Property Code 12682	<sup>5</sup> Property Name Ristra AGW State	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name Yates Petroleum Corporation	<sup>9</sup> Elevation 6820'

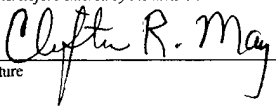
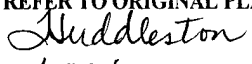
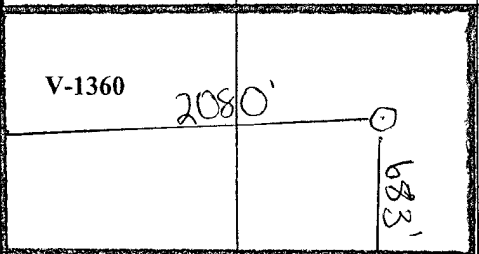
<sup>10</sup> **Surface Location**

UL or lot no. N	Section 32	Township 24N	Range 9W	Lot Idn	Feet from the 683'	North/South line South	Feet from the 2080'	East/West line West	County San Juan
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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 80 S/2SW/4	<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, 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</i>  Signature Date 1/18/08 Clifton R. May Regulatory Agent Printed Name	
						<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:  <b>REFER TO ORIGINAL PLAT</b>  6844 Certificate Number
						

State of New Mexico  
Energy, Minerals & Mining Resources Department

Form C - 102

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

☐ AMENDED REPORT

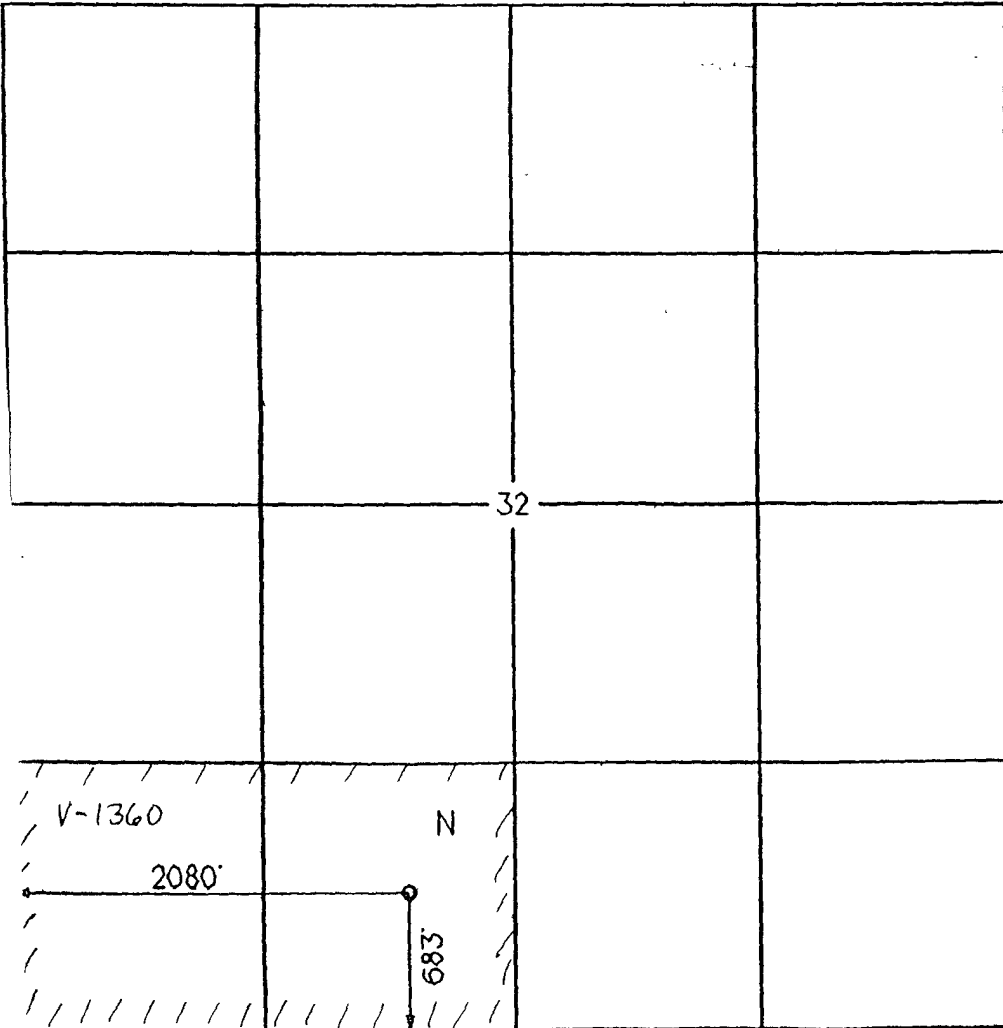
30-045, 34583, 2893 WELL LOCATION AND ACREAGE DEDICATION PLAT

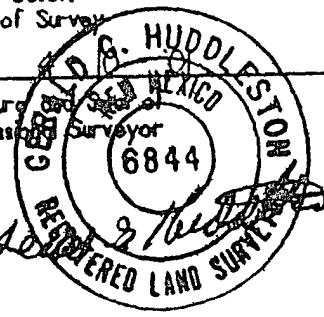
APA Number 30-045-30659	Pool Code 5890	Pool Name BISTI LOWER GALLUP
Property Code 28012	Property Name RISTRA AGW STATE	Well Number 2
UGRD No. 25575	Operator Name YATES PETROLEUM CORPORATION	Elevation 6820'

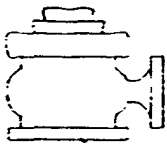
Surface Location									
UL or Lot N	Sec 32	Twp 24 N.	Rge. 9 W.	Lot Lch.	Feet From 683'	North/South SOUTH	Feet From 2080'	East/West WEST	County SAN JUAN

Bottom Hole Location If Different From Surface									
UL or Lot	Sec.	Twp.	Rge.	Lot Lch.	Feet From	North/South	Feet From	East/West	County
Dedication 80	Joint ?	Consolidation		Order No.					

NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED.  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



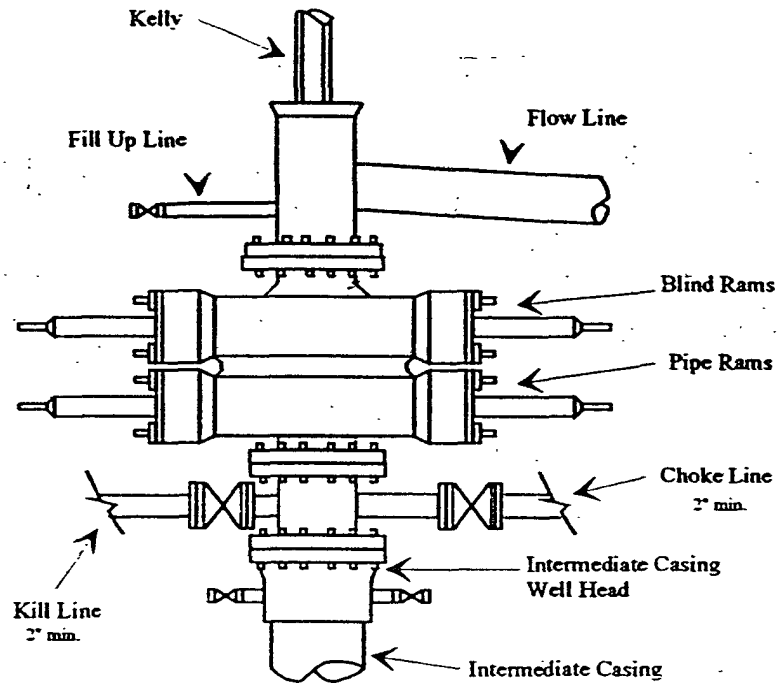
<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>Clifton R. May</u> Printed Name <u>CLIFTON R. MAY</u> Title <u>REGULATORY AGENT</u> Date <u>2/21/03</u>	
<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location 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. Date of Survey  Signature and Seal of Professional Surveyor <u>J. B. HUDDLESTON</u> REGISTERED LAND SURVEYOR	



# Yates Petroleum Corporation

BOP-2

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



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

