

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

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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

APR 08 2008
HOBBS, NM

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575 ✓
		³ API Number 30-025-38753 ✓
⁵ Property Code 37234 ✓	⁴ Property Name Waylon BMC State Com	⁶ Well No. 7 ✓
⁹ Proposed Pool 1 Undesignated Eight Mile Draw; Atoka, NW		¹⁰ 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
D	22	11S	34E		660	North	330	West	Lea ✓

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

¹¹ Work Type Code A	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4155'
¹⁶ Multiple Y	¹⁷ Proposed Depth N/A	¹⁸ Formation Chester	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls		Drilling Method		
Closed-Loop System <input checked="" type="checkbox"/>		Fresh Water <input 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
IN PLACE					

²² 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 plans to recomplete this well as follows:

Perforate Atoka Sand 11,780-11,800' (120). Stimulate as needed. DHC approval has been applied for.

**Permit Expires 2 Years From Approval
Date Unless Otherwise Underway**
Adding

²³ 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: *Allison Barton*

Printed name: Allison Barton

Title: Regulatory Compliance Technician

E-mail Address: abarton@ypcnm.com

Date: 10/03/08

Phone: (575) 748-1471

OIL CONSERVATION DIVISION

Approved by:

[Signature]
Title: **PETROLEUM ENGINEER**

Approval Date: **JAN 20 2009**

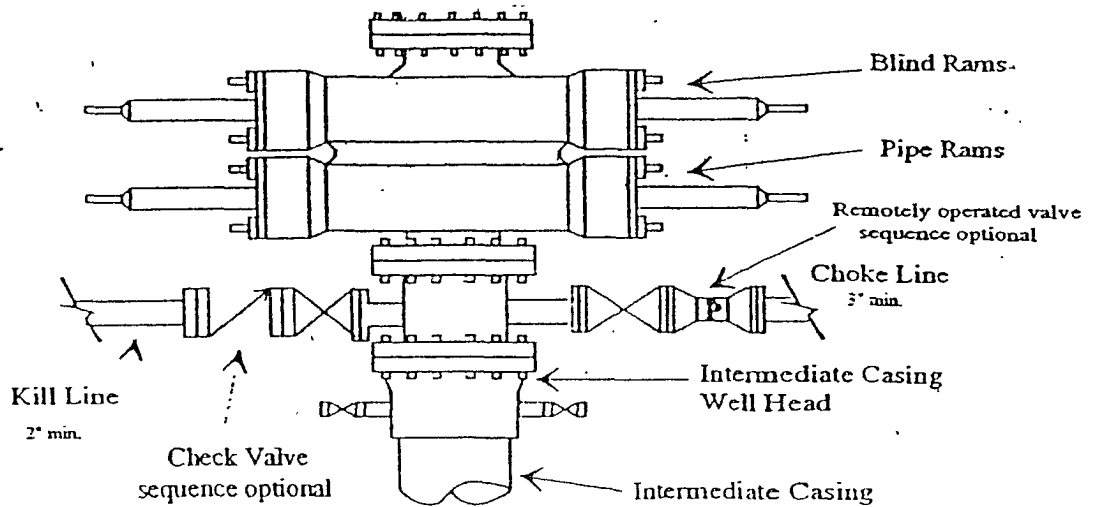
Expiration Date:

Oil Conservation Division

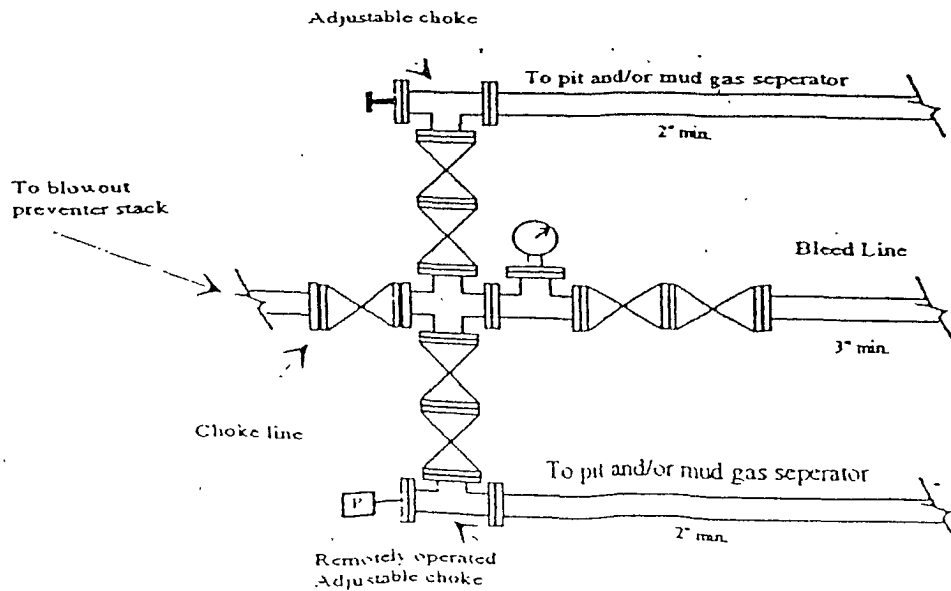
Conditions of approval: Approval for drilling/workover ONLY--- CANNOT produce Downhole Commingled until DHC is approved in Santa Fe.

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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



Well Name: Waylon BMC State Com #7 Field: _____

Location: 660' FNL & 330' FWL Sec. 22-11S-34E Lea Co, NM

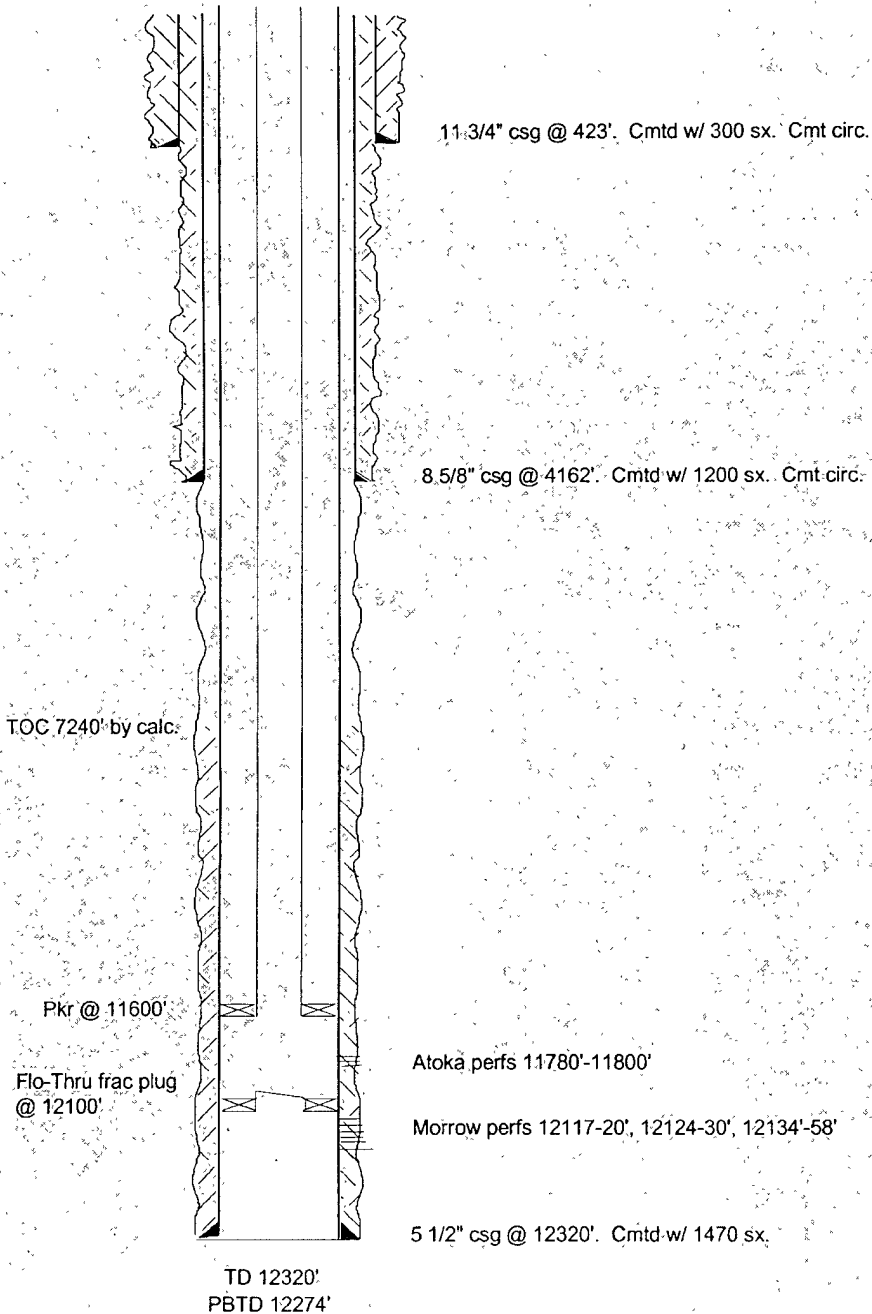
GL: 4155' Zero: _____ AGL: _____ KB: 4175'

Spud Date: 5/16/08 Completion Date: _____

Comments: _____

Casing Program	
Size/Wt/Grade/Conn	Depth Set
11 3/4" 42# H40	423'
8 5/8" 24 & 32# J55	4162'
5 1/2" 17# J55, L80 & HCP110	12320'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 7/7/08 WAYLN7C

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00708 2008

HOBBS, NM

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

¹ API Number 30-025-38753		² Pool Code 97028		³ Pool Name Undesignated Eight Mile Draw; Atoka, NW	
⁴ Property Code 37234		⁵ Property Name Waylon BMC State Com			⁶ Well Number 7
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4155' GR

¹⁰ 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	22	11S	34E		660	North	330	West	Lea

¹¹ 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
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.

	¹⁷ OPERATOR CERTIFICATION	
	<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>	
		9/09/08
	Signature	Date
Allison Barton		
Printed Name		
¹⁸ SURVEYOR CERTIFICATION		
<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		