

DATE IN 1/4/00	SUBMITTER 1/24/00	ENGINEER MS	LOGGED N	TYPE NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

00 JAN - 4 AM 4:49
OIL CONSERVATION DIV.

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
 [B] Offset Operators, Leaseholders or Surface Owner
 [C] Application is One Which Requires Published Legal Notice
 [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

William F. Carr
 Print or Type Name

William F. Carr
 Signature

Attorney
 Title

01/03/00
 Date

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
PAUL R. OWEN
ANTHONY F. MEDEIROS

JACK M. CAMPBELL
1916-1999

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@lx.netcom.com

January 3, 2000

HAND-DELIVERED

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: *Application of Yates Petroleum Corporation for Administrative Approval of an Unorthodox Well Location for its Walt Canyon "AMA" Federal Well No. 2, to be located 1450 feet from the South line and 790 feet from the West line of Section 3, Township 22 South, Range 24 East, N.M.P.M., Eddy County, New Mexico.*

Dear Ms. Wrotenbery:

Pursuant to the provisions of Division Rule 104 F adopted on August 12, 1999, Yates Petroleum Corporation hereby seeks administrative approval of an unorthodox well location for its Walt Canyon "AMA" Federal Well No. 2 at a point 1450 feet from the South line and 790 feet from the West line of Section 3, Township 22 South, Range 24 East, N.M.P.M., Eddy County, New Mexico. This well will be drilled to a depth to sufficient test all formations from the surface to through the Pennsylvanian system. The primary objective in the well is the Cisco-Canyon (Upper Penn) Dolomite. A standard 320-acre spacing and proration unit comprised of the S/2 of Section 3 will be dedicated to the well.

The well will be completed the Indian Basin-Upper Pennsylvanian Associated Pool which is governed by Special Rules and Regulations adopted by Division Order Nos. R-9922 which provide for oil and gas wells to be located on standard units containing 320-acres [Rule 2(a)]

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
January 3, 2000
Page 2

with wells to be located no closer than 660 feet to from the outer boundary of the proration unit nor closer than 330 feet from any quarter-quarter section line or subdivision inner boundary [Rule 2(b)].

This proposed unorthodox well location is only is unorthodox because it is only 150 feet from a quarter-quarter section line in the dedicated 320-acre spacing unit in the Indian Basin-Upper Pennsylvanian Associated Pool. This unorthodox location is required by topographical conditions. The well was originally proposed at a standard location in the SW/4 of Section 3 but because of the rugged topography in the area the Bureau of Land Management requested that Yates move the well to the proposed unorthodox well location.

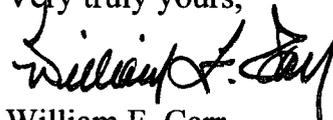
A well at this unorthodox well location should result in the well being able to efficiently produce the reserves in this reservoir under the S/2 of said Section 3. A topographic map of the Walt Canyon Area is enclosed as Exhibit A to this administrative application.

Attached hereto as Exhibits B is a plat showing the subject spacing unit, the proposed unorthodox well location and adjoining spacing units and wells. Since the well is only encroaching on an interior quarter-quarter section line, the correlative rights of no interest owner will be adversely impacted by a well at this proposed unorthodox location. Accordingly, there are no affected persons as defined in Rule 1207.A to whom notice of this application should be provided.

A geological explanation for this unorthodox well location is attached as Exhibit C.

Your attention to this application is appreciated.

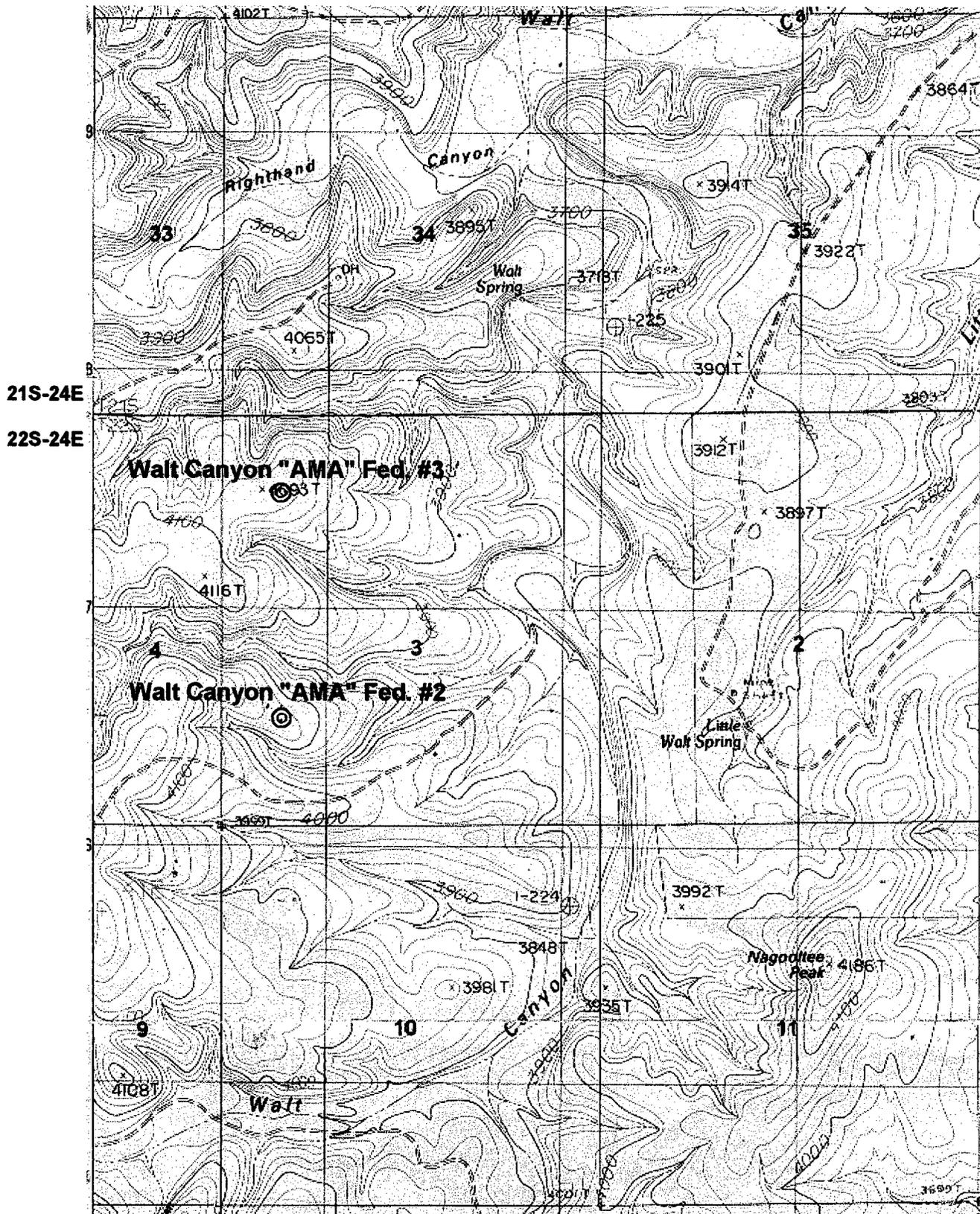
Very truly yours,



William F. Carr

Attorney for Yates Petroleum Corporation

WFC/md
Enclosures



**Topographic Map
Walt Canyon Area**

Source: U.S.G.S 7.5 minute quadrangle, Azotea Peak, New Mexico, 1985.

EXHIBIT A

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210
TELEPHONE (505) 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

GEOLOGICAL EXPLANATION OF THE WALT CANYON "AMA" FEDERAL #2 AND #3

The Walt Canyon "AMA" Federal #2 is proposed at an unorthodox location 1450' FSL and 790' FWL in section 3 of Township 22 South - Range 24 East. The Walt Canyon "AMA" Federal #3 is proposed at an unorthodox location 1115' FNL and 810' FWL in section 3 of Township 22 South - Range 24 East. The locations were placed in unorthodox locations because of topographical reasons.

The primary objective is the Cisco-Canyon (Upper Penn) Dolomite with the Morrow Formation being secondary. Other potential objectives are the Atoka, Strawn, and Wolfcamp.

The topographic map shows the local area around the Walt Canyon locations. The contour interval is 20 feet. The Walt Canyon "AMA" Federal #2 was originally spotted at an orthodox location in the SW/4 of section 3 and the #3 was located at an orthodox location in the NW/4. Because of the rugged topography in the area, the Bureau of Land Management requested Yates move the wells to the current unorthodox locations. Geology was not a concern, because a location anywhere in the W/2 of section 3 was acceptable. Yates is not encroaching on the outer boundaries of the proration units, only on the interior quarter-quarter boundaries.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator ✓
YATES PETROLEUM CORPORATION

3. Address and Telephone No.
105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1450' FSL and 790' FWL
 Section 3, T22S-R24E**

5. Lease Designation and Serial No.
NM-78213

6. If Indian, Allottee or Tribe Name

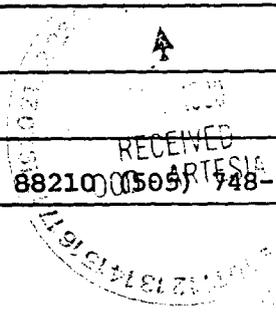
7. If Unit or CA, Agreement Designation

8. Well Name and No.
Walt Canyon AMA Fed. #2

9. API Well No.
30-015-28129

10. Field and Pool, or Exploratory Area
**Indian Basin Upper
 Penn Associated**

11. County or Parish, State
Eddy County, New Mexico



12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other: <u>EXTEND APD</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

3. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

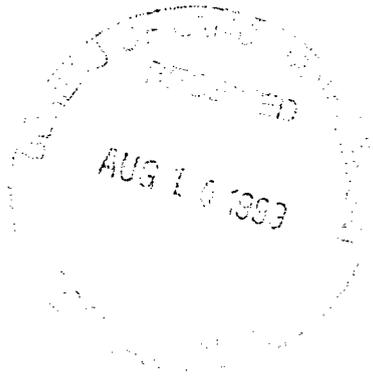
Yates Petroleum Corporation wishes to extend the captioned well's APD expiration date for one (1) year to September 27, 2000.

Thank you.

Bureau of Land Management
Received

Approved For 12 Month Period
 Expires 9/21/2000

AUG 11 1999
 Carlsbad Field Office
 Carlsbad, N.M.



4. I hereby certify that the foregoing is true and correct
 Signed [Signature] Title Regulatory Technician Date August 4, 1999

(This space for Federal or State office use)
 Approved by DE G. LARA Title Petroleum Engineer Date 8/25/99
 Conditions of approval, if any:

Under 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Corp. Division
11 S. 1st St
Artesia, NM

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address and Telephone No.

105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1450' FSL and 790' FWL
Section 3, T22S-R24E

5. Lease Designation and Serial No.

NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Walt Canyon AMA Fed. #2

9. API Well No.

30-015-28129

10. Field and Pool, or Exploratory Area
Indian Basin Upper
Penn Associated

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>EXTEND APD</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation wishes to extend the captioned well's APD expiration date for one (1) year to September 27, 1999.

Thank you.

APPROVED FOR 12 MONTH PERIOD
ENDING 9-21-99

14. I hereby certify that the foregoing is true and correct

Signed [Signature] Title Regulatory Technician Date August 3, 1998

(This space for Federal or State office use)

Approved by (ORIG. SGD.) GARY GOUBLE Title PETROLEUM ENGINEER Date AUG 24 1998
Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

PERMITS DIVISION
11 S. St
Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

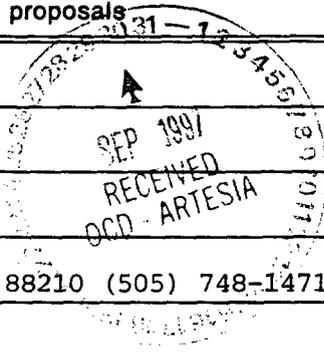
SF

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. Walt Canyon AMA Fed. #2
2. Name of Operator YATES PETROLEUM CORPORATION	9. API Well No. 30-015-28129
3. Address and Telephone No. 105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471	10. Field and Pool, or Exploratory Area Indian Basin Upper Penn Associated
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1450' FSL and 790' FWL Section 3, T22S-R24E	11. County or Parish, State Eddy County, New Mexico



12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
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	<input checked="" type="checkbox"/> Other <u>EXTEND APD</u>
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	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation wishes to extend the above captioned well's APD for one year to September 27, 1998.

Thank you.

12
9/27/98

RECEIVED
1997 AUG 28 A 2:32
BUREAU OF LAND MGMT.
ROSWELL OFFICE

14. I hereby certify that the foregoing is true and correct

Signed *[Signature]* Title Landman Date August 25, 1997

(This space for Federal or State office use)

Approved by (ORIG. SGD.) ALEXIS D. SWOBODA Title PETROLEUM ENGINEER Date SEP 2 1997

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OLD Artesia

58

Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

RECEIVED

SUBMIT IN TRIPLICATE

SEP 09 1995

1. Type of Well
 Oil Well Gas Well Other

OIL CON. DIST. 2

2. Name of Operator
YATES PETROLEUM CORPORATION

3. Address and Telephone No.
105 South Fourth St., Artesia, NM 88210 (505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1450' FSL and 790' FWL
Sec. 3-T.22S-R.24E

5. Lease Designation and Serial No.
NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Walt Canyon AMA Fed. #2

9. API Well No.
30-015-28129

10. Field and Pool, or Exploratory Area

11. County or Parish, State
Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>EXTEND APD</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation wishes to extend the captioned well for one year from the expiration date of September 21, 1996.

Thank you.

APPROVED FOR 12 MONTH PERIOD
ENDING 9/21/97

RECEIVED
AUG 27 9 55 AM '96
CARRILLO AREA

14. I hereby certify that the foregoing is true and correct

Signed Joe G. Lara Title Landman Date 8-26-96

(This space for use by the Bureau)
(ORIG. 300) JOE G. LARA

Approved by _____ Title PETROLEUM ENGINEER Date 9/4/96
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONSERVATION DIVISION

RECEIVED

95 OCT 2 AM 8 52

NM OIL CONS COMMISSION
Drawer DD
Artesia, NM 88210

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address and Telephone No.

105 South Fourth Street, Artesia, New Mexico 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1450' FSL and 790' FWL

Section 3-T22S-R24E

Unit L

5. Lease Designation and Serial No.

NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Walt Canyon AMA Fed. #2

9. API Well No.

30-015-28129

10. Field and Pool, or Exploratory Area

11. County or Parish, State

Eddy Co., NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Extend APD

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation wishes to extend the captioned well for another year past the expiration date of September 21, 1995

RECEIVED

SEP 20 1995

Thank you.

OIL CON. DIV

DIST. 2

APPROVED FOR 12 MONTH PERIOD

ENDING 9/21/96

AUG 21 11 13 AM '95

RECEIVED

14. I hereby certify that the foregoing is true and correct

Signed [Signature]

Title Landman

Date 8-17-95

(This space for Federal or State office use)

Approved by (ORIG. SCD.) JOE G. LARA

Title PETROLEUM ENGINEER

Date 9/18/95

Conditions of approval, if any:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

94 00

LEASE DESIGNATION AND SERIAL NO.
NM-78213

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARMOR LEASE NAME, WELL NO. 12871
Walt Canyon AMA Federal

9. API WELL NO.
30-015-28129

10. FIELD AND POOL, OR WILDCAT
Indian Basin Upper Penn. A

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 33685
Sec. 3-T22S-R24E

12. COUNTY OR PARISH | 18. STATE
Eddy | New Mexico

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

RECEIVED

MULTIPLE ZONE

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

25575

SEP 23 '94

3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface
1450' FSL and 790' FWL

C.D.
ARTESIA, NM

At proposed prod. zone
Same

UT. L

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 32 miles Northwest of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

8700'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4027' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	300	300 sx <u>circulated</u>
12 1/4"	9 5/8"	36.0#	2450	700 sx <u>circulated</u>
8 3/4"	7.0"	23 & 26#	8700	1500 sx <u>(THE BACK)</u>

YATES PETROLEUM CORPORATION PROPOSES TO DRILL AND TEST THE CANYON AND INTERMEDIATE FORMATIONS. APPROXIMATELY 300' OF SURFACE CASING WILL BE SET AND CEMENT CIRCULATED TO SHUT OFF GRAVEL AND CAVINGS. WE WILL RUN INTERMEDIATE CASING AND IF COMMERCIAL, PRODUCTION CASING WILL BE RUN AND CEMENTED, WILL PERFORATE AND STIMULATE AS NEEDED FOR PRODUCTION.

MUD PROGRAM: FW SPUD TO 300'; FW TO 7200'; CUT BRINE TO 7650'; SALT GEL/STARCH TO TD.

BOP PROGRAM: BOP'S WILL BE INSTALLED AND TESTED DAILY.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directly, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE

LANDMAN

DATE

9/1/94

(This space for Federal or State office use)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

[Signature]

TITLE

AREA MANAGER

DATE

SEP 21 1994

* PENDING NSL APPROVAL

*See Instructions On Reverse Side

District I
 PO Box 1980, Hobbs, NM 88240-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-102
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30-015-28129		2 Pool Code 33685		3 Pool Name Indian Basin Upper Penn Assoc.	
4 Property Code		5 Property Name WALT CANYON "AMA" FEDERAL			6 Well Number 2
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 4027.

10 Surface Location

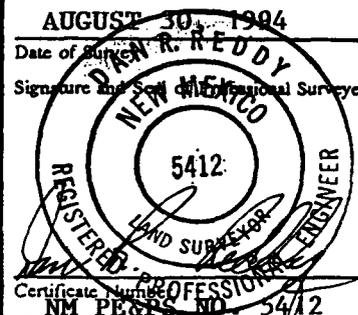
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	3	22S	24E		1450	SOUTH	790	WEST	EDDY

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

16					17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
					Signature: <i>Ken Beardephl</i> Printed Name: KEN BEARDEPHL Title: LANDMAN Date: September 1, 1994	
790 1450 NM-78213					18 SURVEYOR CERTIFICATION 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.	
					Date of Survey: AUGUST 30, 1994 Signature and Seal of Professional Surveyor:  Certificate Number: 5412 NM PEPS NO. 5412	

YATES PETROLEUM CORPORATION

YATES PETROLEUM CORPORATION
105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

WALT CANYON AMA FEDERAL #2
1450' FSL AND 790' FWL
SECTION 3-T22S-R24E
EDDY COUNTY, NEW MEXICO

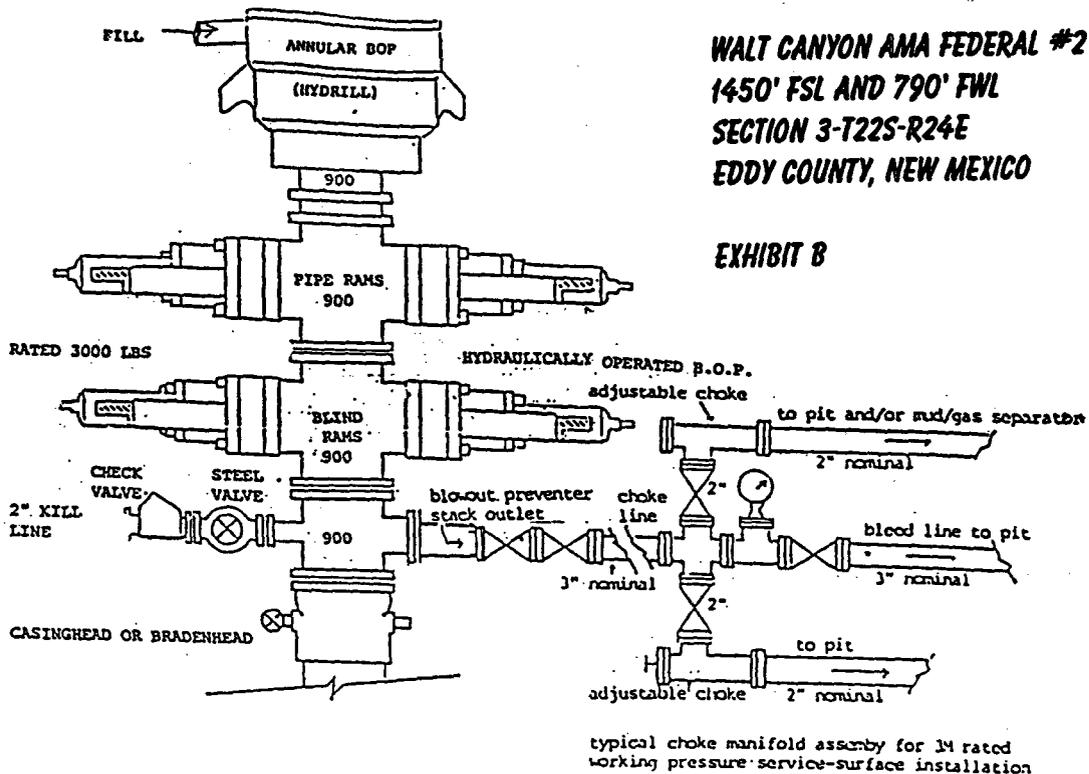


EXHIBIT B

THE FOLLOWING CONSTITUTES THE MINIMUM BLOWOUT PREVENTER
REQUIREMENTS FOR 3000 PSI WP SYSTEMS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" diameter.
3. Kill line to be of all steel construction of 3" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. Hole or tube to be a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls to be located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Walt Canyon AMA Federal #1

9. API Well No.

30-015-10305

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn

11. County or Parish, State

Eddy Co., NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address and Telephone No.

105 S. 4th Street, Artesia, NM 88210

(505) 748-1470

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL & 2310' FEL (Unit O, SWSE) Sec. 3-T22S-R24E



12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

Notice of Intent

Abandonment

Change of Plans

Subsequent Report

Recompletion

New Construction

Final Abandonment Notice

Plugging Back

Non-Routine Fracturing

Casing Repair

Water Shut-Off

Altering Casing

Conversion to Injection

Other

Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation is submitting application for produced water from the above well pursuant to Order #7 and requests your approval. The well at present produces 916 Bbls. of water per day from the Indian Basin Upper Penn. The water will be stored in a 500 Bbl. fiberglass tank/s and will be disposed of by pipeline at the Humble SWD #1, Sec. 24-T20S-R24E, SWD-434

See attachment

Bureau of Land Management
Received

FEB 17 1999

Carlsbad Field Office
Carlsbad, N.M.

14. I hereby certify that the foregoing is true and correct

Signed Pamela S. Harris

Title Production Clerk

Date February 15, 1999

(This space for Federal or State office use)

Approved by (ORIG. SGD.) DAVID R. GLASS

Title PETROLEUM ENGINEER

Date FEB 23 1999

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

*See Instruction on Reverse Side

Yates Petroleum Corporation
State "CO" SWD Disposal System

The Yates State "CO" SWD water gathering system consists of nine (9) salt water injection wells approved for disposal of produced water. The nine (9) wells are listed below:

STATE CO #1, NESW, SEC: 36-T19S-R24E, EDDY COUNTY, NM
INJECTION INTERVAL: 10038-11311' DEVONIAN
APPROVED BY NMOCD ORDER NO. SWD-285

COTTON MX FEDERAL #1, NENW, SEC: 14-T19S-R25E, EDDY COUNTY, NM
INJECTION INTERVAL: 7666-7710' CANYON
APPROVED BY NMOCD ORDER NO. SWD-370

DONAHUE FEDERAL #1, SWNW, SEC: 10-T20S-R24E, EDDY COUNTY, NM
INJECTION INTERVAL: 4296-4596' ABO
APPROVED BY NMOCD ORDER NO. SWD-377

STATE D #1, SESW, SEC: 7-T19S-R25E, EDDY COUNTY, NM
INJECTION INTERVAL: 9728-11052' DEVONIAN-BLISS
APPROVED BY NMOCD ORDER NO. SWD-395

ROY AET #3, SESE, SEC: 7-T19S-R25E, EDDY COUNTY, NM
INJECTION INTERVAL: 9766-11110' DEVONIAN AND ELLENBURGER
APPROVED BY NMOCD ORDER NO. SWD-437

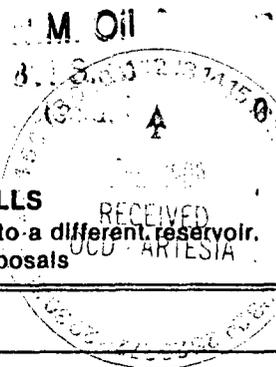
ROUTH NU #2, NWNE, SEC: 14-T19S-24E, EDDY COUNTY, NM
INJECTION INTERVAL: 8810-8878' MORROW
APPROVED BY NMOCD ORDER NO. SWD-399

MIMOSA AHS FEDERAL #1, NESE, SEC: 4-T20S-R24E, EDDY COUNTY, NM
INJECTION INTERVAL: 9515-11011' MISSISSIPPIAN, DEVONIAN, ELLENBURGER
APPROVED BY NMOCD ORDER NO. SWD-408

MIMOSA AHS FEDERAL #4, SESW, SEC: 4-T20S-R24E, EDDY COUNTY, NM
INJECTION INTERVAL: 9660-11159' DEVONIAN, ELLENBURGER, BLISS SAND
APPROVED BY NMOCD ORDER NO. SWD-476

HUMBLE SWD #1, SESE, SEC: 24-T20S-R24E, EDDY COUNTY, NM
INJECTION INTERVAL: 9600-11580' ELLENBURGER AND DEVONIAN (OPEN HOLE)
APPROVED BY NMOCD ORDER NO. SWD-434

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

2834

5. Lease Designation and Serial No.
NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Walt Canyon AMA Fed #1

9. API Well No.
30-015-10305

10. Field and Pool, or Exploratory Area
Indian Basin Up. Penn.

11. County or Parish, State Assoc.
Eddy Co., NM

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
105 South 4th St., Artesia, NM 88210

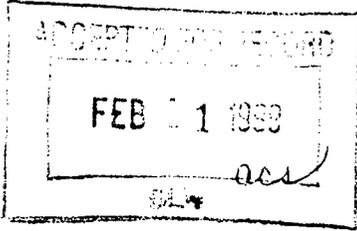
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**990' FSL & 2310' FEL (Unit 0, SWSE)
Section 3, T22S R24E**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Gas connected to</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Gas connected to Dagger Draw Gas Processing Plant on June 23, 1993.



14. I hereby certify that the foregoing is true and correct

Signed *Rusty Klein* Title Operations Technician Date Feb. 9, 1999

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

RECEIVED

58

DISTRICT I OIL CONSERVATION DIVISION
 P.O. Box 1980, Hobbs, NM 88249

OIL CONSERVATION DIVISION

P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

AUG - 2 1993

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

RECEIVED
 AM 10 53

C. C. D.

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

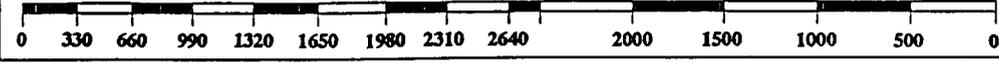
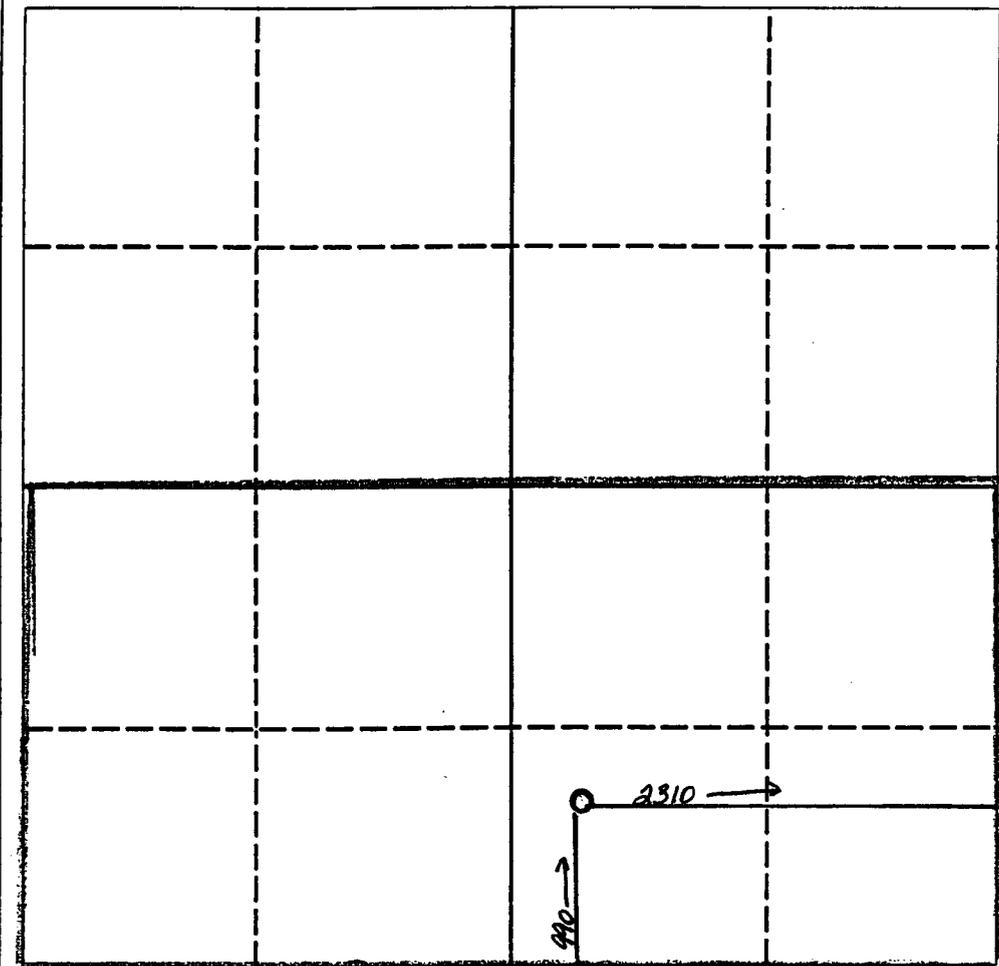
Operator YATES PETROLEUM CORPORATION			Lease Walt Canyon AMA Federal		Well No. 1
Unit Letter 0	Section 3	Township 22S	Range 24E	County NMPM Eddy	
Actual Footage Location of Well: 990 feet from the South line and 2310 feet from the East line					
Ground level Elev. 3953'	Producing Formation Canyon		Pool Indian Basin Upper Penn Assoc.	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?

 Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

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.



OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Rusty Klein*
 Printed Name: Rusty Klein
 Position: Production Clerk
 Company: YATES PETROLEUM CORPORATION
 Date: August 1, 1993

SURVEYOR CERTIFICATION
 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: _____
 REFER TO ORIGINAL PLAT
 Signature & Seal of Professional Surveyor: _____
 Certificate No.: _____

SF

RECEIVED
 '93 JUN 16 AM 10:14

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
 Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE RECEIVED

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NME-78213
2. Name of Operator YATES PETROLEUM CORPORATION	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 S. 4th Street, Artesia, NM 88210 (505) 748-1471	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec. 3-T22S-R24E	8. Well Name and No. Walt Canyon AMA Federal #1
	9. API Well No. #30-015-10305
	10. Field and Pool, or Exploratory Area Wildcat Canyon
	11. County or Parish, State Eddy, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Yates Petroleum Corporation is submitting application for produced water from the above well pursuant to NTL-2B, Section II, and requests your approval. The well produces approximately 0 bbls of water per day from the Wildcat Canyon formation. The water is stored in a 210 barrel stock tank and transported by B & E Inc. to the Yates' South Dagger Draw Water System. If the above well does produce water at any time, Yates Petroleum will submit a water analysis..

RECEIVED
 JUN 30 12 12 PM '93
 CAIN AREX

14. I hereby certify that the foregoing is true and correct

Signed Shannon Coupland Title Production Clerk Date 6/29/93

(This space for Federal or State office use)

Approved by (ORIG. SGD) DAVID R. GLASS Title Petroleum Engineer Date JUL 6 1993

Conditions of approval, if any:

SEE ATTACHED

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

NM OIL CONS. COMMISSION
 UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

Drawer DD
 Artesia, NM 88210

FORM APPROVED
 Budget Bureau No. 1004-0135
 Expires: March 31, 1993

5. Lease Designation and Serial No.
 OIL CONSERVATION DIVISION
 NM-78213

6. If Indian, Allottee of Tribe Name

93 AU: 9 AM 11 25

7. If Unit or CA, Agreement Designation

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
 Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
 105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 990' FSL & 2310' FEL of Section 3-T22S-R24E

8. Well Name and No.
 Walt Canyon AMA Fed. #1

9. API Well No.

10. Field and Pool, or Exploratory Area
 Wildcat

11. County or Parish, State
 Eddy Co., NM

JUL 9 1993
 O. S. D.

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Perfs & acid	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Pumped 2000 gallons Tempblock into perforations 7942-7946'. Unset packer at 7788'. TOOH w/tubing and packer. TIH w/bit, drill collars and tubing to float at 7958'. Drilled out float at 7958'. Drilled out cement to 7992' and fell out of cement. Dropped down to 8261'. TOOH w/tubing, drill collars and bit. TIH w/tubing to 8250'. Spotted 50 sacks "H" Neat. Pulled up inside casing and waited 5 hours. Tagged plug at 8101'. Spotted 20 sacks "H" Neat at 8101'. Pulled up and reversed hole at 8050'. Pulled up inside casing and waited 5 hours. Tagged plug at 8050'. TOOH w/tubing. TIH w/packer and tubing. Set packer at 7955'. Loaded annulus with 2% KCL water. Unset packer. TOOH with tubing and packer. Laid down tubing. Turned well over to production to run sub-pump.

Moved in and rigged up pulling unit. Nippled down wellhead. Installed BOP. TOOH with tubing and sub-pump. TIH w/1600' of 2-3/8" tubing and 6450' of 2-7/8" tubing. Tagged cement plug at 8049.8'. Pulled up 2'. Attempted to circulate - would not circulate. Pumped 70 sacks Class "H", 8% CSE and 15#/sack gilsonite and spotted plug at 8048'. TOOH. TIH w/tubing. Tagged plug at 8043' - 7' of fill. Pumped 25 sacks Class "H", .2% CF-14 followed by 25 sacks Class "H", 10#/sack gilsonite and 1/4#/sack cellsoeal. Spot plug at 8043'. TOOH w/tubing. TIH w/bit, drill collars and tubing. Tagged plug at 7840'. Drilled on plug at 7840'. At 8129' made connection. CONTINUED ON NEXT PAGE:

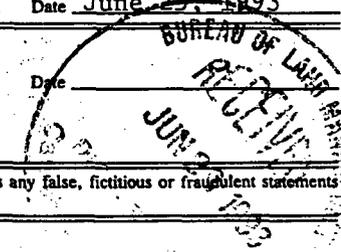
14. I hereby certify that the foregoing is true and correct

Signed Rusty Klein Title Production Clerk Date June 25, 1993

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

J. Lara
 7 1993



Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different lease unit.
 Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
 RECEIVED NM-78213

6. If Indian, Allottee or Tribe Name
 9 AM 11 25

7. If Unit or CA, Agreement Designation

8. Well Name and No.
 Walt Canyon AMA Fed #1

9. API Well No.

10. Field and Pool, or Exploratory Area
 Wildcat

11. County or Parish, State
 Eddy Co., NM

SUBMIT IN TRIPLICATE

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
 105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 990' FSL & 2310' FEL of Section 3-T22S-R24E

RECEIVED
 JUL 9 1993
 C. S. D.

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Liner, perfs & treat</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Ran 3-1/2" liner as follows: Type V double valved float shoe, 1 joint 3-1/2" 9.2 ppg J-55 liner, Type I single valve float collar, 56 joints of 3-1/2" 9.2 ppg J-55 liner, Brown Hyflow III liner hanger. Cemented with 200 sacks Class "H", 8#/sack CSE, .6% CF-14, .35% Thriftylite and 1/4#/sack celloseal.

TIH w/bit, drill collars and tubing. Tagged cement at 6880'. Drilled 2' of soft cement to top of liner at 6882'. TOOH. TIH w/bit, drill collars and tubing. Dropped down inside liner to 7062'. Closed BOP and tested casing to 1500 psi for 20 minutes. TOH. TIH w/bit and tubing. Tagged top of cement at 8520'. Displaced hole with 2% KCL water. TOOH w/tubing and bit. Ran logs. Top of liner at 6803'. Top of cement at 6880'. TIH w/Enerjet guns and perforated 7995-8008' w/28 .42" holes (Canyon). TOOH. TIH with tubing. Spot 2 bbls 20% NEFE acid at 8006'. TOOH w/tubing. TIH w/packer and tubing. Set packer at 6874'. Acidized perforations 7995-8008' w/1500 gallons 20% NEFE acid and ball sealers. Unset packer. TOOH w/tubing. Turned over to production to run sub-pump.

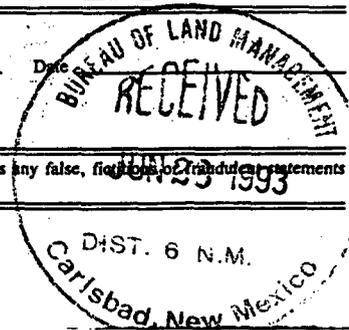
14. I hereby certify that the foregoing is true and correct

Signed Rusty Allen Title Production Clerk Date June 25, 1993

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
 Conditions of approval, if any:

J. Lara
 7 1993



Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator YATES PETROLEUM CORPORATION	Well API No. 30-015-10305
Address 105 South 4th St., Artesia, NM 88210	
Reason(s) for Filing (Check proper box) <input checked="" type="checkbox"/> New Well <input checked="" type="checkbox"/> Re-entry <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Operator <input type="checkbox"/> Other (Please explain)	
Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate	
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Walt Canyon AMA Federal	Well No. 1	Pool Name, Including Formation Wildcat	Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee	Lease No. NM-78213
Location Unit Letter 0 : 990 Feet From The South Line and 2310 Feet From The East Line Section 3 Township 22S Range 24E , NMPM , Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Amoco Pipeline Intercorporate Trucking	Address (Give address to which approved copy of this form is to be sent) 502 N. West Avenue - Levelland, TX 79336					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Yates Petroleum Corporation	Address (Give address to which approved copy of this form is to be sent) 105 South Fourth Street - Artesia, NM 88210					
If well produces oil or liquids, give location of tanks.	Unit 0	Sec. 3	Twp. 22S	Rge. 24E	Is gas actually connected? No	When?

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X) Re-entry	Oil Well <input checked="" type="checkbox"/>	Gas Well <input type="checkbox"/>	New Well <input type="checkbox"/>	Workover <input type="checkbox"/>	Deepen <input type="checkbox"/>	Plug Back <input type="checkbox"/>	Same Res'v <input type="checkbox"/>	Diff Res'v <input type="checkbox"/>
Date Spudded Re-entry 4-29-93	Date Compl. Ready to Prod. 6-23-93		Total Depth 10694'			P.B.T.D. 8612'		
Elevations (DF, RKB, RT, GR, etc.) 3953' GR	Name of Producing Formation Canyon		Top Oil/Gas Pay 7942'			Tubing Depth 6604'		
Perforations 7942-8008'						Depth Casing Shoe 6946'		
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		
17-1/2"	13-3/8"		398'			In place Part II-2		
12-1/4"	9-5/8"		4204'			In place 8-6-93		
8-3/4"	7"		6946'			200 sacks comp & LR		
	2-7/8" tubing		6604'					

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)			
Date First New Oil Run To Tank 6-23-93	Date of Test 6-24-93	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hours	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test 2480	Oil - Bbls. 110	Water - Bbls. 2370	Gas - MCF 65

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Rusty Klein
Signature
Rusty Klein Production Clerk
Printed Name
June 25, 1993 (505) 748-1471
Date Telephone No.

OIL CONSERVATION DIVISION

JUL 23 1993

Date Approved
By *Mike Williams*
Title **SUPERVISOR, DISTRICT II**

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

(November 1983)
(formerly 9-330)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
MINOR CONS. COMMISSION
Drawer DD
Artesia, NM 88210

Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other Re-entry OIL

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RENVR. Other _____

2. NAME OF OPERATOR
YATES PETROLEUM CORPORATION (505) 748-1471

3. ADDRESS OF OPERATOR
105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 990' FSL & 2310' FEL
At top prod. interval reported below
At total depth

14. PERMIT NO. _____ DATE ISSUED _____

5. LEASE DESIGNATION AND SERIAL NO. NM-78213
6. IF INDIAN, ALLOTTEE OR TRIBE NAME _____
7. NAME OF AGENCY DIVISION RECEIVED
8. FARM OR LEASE NAME Wait Canyon 11A25 Federal
9. WELL NO. 1
10. NAME AND NO. OF WELL OR SURVEY Wildcat
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Section 3-T22S-R24E
12. COUNTY OR PARISH Eddy
13. STATE NM

15. DATE SPUDDED Re-entry 4-29-93 16. DATE T.D. REACHED 5-3-93 17. DATE COMPL. (Ready to prod.) 6-23-93 18. ELEVATIONS (DP, RKB, RT, GR, ETC.)* 3953' GR 19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 10694' 21. PLUG. BACK T.D., MD & TVD 8612' 22. IF MULTIPLE COMPL., HOW MANY? _____ 23. INTERVALS DRILLED BY Pulling Unit

24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD) 7942-8008' Canyon J. Lara - 7 1993 25. WAS DIRECTIONAL SURVEY MADE No

26. TYPE ELECTRIC AND OTHER LOGS RUN None 27. WAS WELL CORED No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48# H-40	398'	17-1/2"	In place	
9-5/8"	36# J-55	4204'	12-1/4"	In place	
7"	26# & 23#	6946'	8-3/4"	200 sacks	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
3-1/2"	6803"	8600'	200 SX		2-7/8"	6604'	

31. PERFORATION RECORD (Interval, size and number)
7942-7946' w/10 .42" holes
7995-8008' w/28 .42" holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7942-7946'	1500 gals 20% NEFE & BS
	2000 gals Tempblock
7995-8008'	1500 gals 20% NEFE & BS

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
6-23-93	Pumping	Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS OIL RATIO (GOR)
6-24-93	24	3/4"	→	110	65	2370	N/A

FLOW. TUBING PRESS.	CASINO PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GROWTH FACTOR (OGF)
		→	110	65	2370	N/A

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Gas will be sold TEST WITNESSED BY Ron Beasley JUN 28 1993

35. LIST OF ATTACHMENTS None

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Rusty Klein TITLE Production Clerk DATE June 25, 1993

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Hanley Petroleum
Union '35' Fed. #5
Eddy County, NM

STATE OF NEW MEXICO
DEVIATION REPORT

176	3/4
462	1
702	1
941	1-1/2
1,158	1-3/4
1,407	2
1,601	1-1/4
1,785	1
1,972	2-1/4
2,060	1-1/2
2,313	2-1/2
2,488	2-1/2
2,650	1
3,162	1
3,650	1/4
4,150	3/4
4,648	1
5,142	1-1/4
5,708	1/2
6,191	1/2
6,511	1-1/4
6,658	2
6,885	1-1/2
7,130	1-3/4
7,380	2-1/4
7,875	1-1/4
8,500	1-1/2

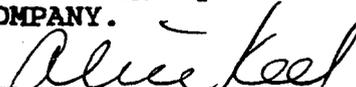


By: Ray Peterson

STATE OF TEXAS

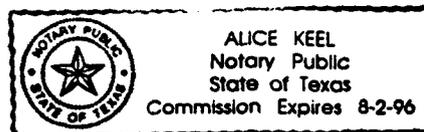
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me
this 21st day of June, 1993, by RAY PETERSON
on behalf of PETERSON DRILLING COMPANY.



Notary Public for Midland
County, Texas

My Commission Expires: 8/2/96



Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

DISTRICT II
OIL CONSERVATION DIVISION
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

RECEIVED

MAY 20 1992

DISTRICT III
1000 Rio Grande Blvd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

I.

Operator YATES PETROLEUM CORPORATION	Well API No. 30-015-10305
Address 105 South 4th St., Artesia, NM 88210	
Reason(s) for Filing (Check proper box) New Well <input checked="" type="checkbox"/> (RE-ENTRY) Change in Transporter of: <input checked="" type="checkbox"/> Other (Please explain) Recompletion <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> REQUEST A 1500 BARREL TEST ALLOWABLE FOR Change in Operator <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> PERFORATIONS 7942-7946' (CANYON)	
If change of operator give name and address of previous operator _____	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Walt Canyon AMA Federal	Well No. 1	Pool Name, Including Formation Wildcat Canyon	Kind of Lease State, Federal or Fee	Lease No. NM-78213
Location Unit Letter <u>0</u> : <u>990</u> Feet From The <u>South</u> Line and <u>2310</u> Feet From The <u>East</u> Line Section <u>3</u> Township <u>22S</u> Range <u>24E</u> , NMPM, <u>Eddy</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil AMOCO PIPELINE CO <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> AMOCO PIPELINE INTERCORPORATE TRUCKING	Address (Give address to which approved copy of this form is to be sent) 502 N. West Avenue, Levelland, TX 79336
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth		
Perforations							Depth Casing Shoe	
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET			SACKS CEMENT		

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Rusty Klein
Signature
Rusty Klein Production Clerk
Printed Name
May 20, 1993 Date
(505) 748-1471 Title
Telephone No.

OIL CONSERVATION DIVISION

Date Approved MAY 20 1993
By Mike Williams
Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL & GAS COMMISSION DIVISION

Drawer DD RECEIVED
Artesia, NM 88210

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

MAY 21 11 16 AM '93
CAR AREA

'93 JUN 28 AM 11 00

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

JUN 18 1993

C.L.D.

1. Type of Well
 Oil Well Gas Well Other RE-ENTRY

2. Name of Operator
YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.
105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
990' FSL & 2310' FEL of Section 3-T22S-R24E

5. Lease Designation and Serial No.
NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Walt Canyon AMA Fed #1

9. API Well No.
30-015-10305

10. Field and Pool, or Exploratory Area
Wildcat

11. County or Parish, State
Eddy County, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Commence Operations Casing
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Set and test anchors and markers. Dug out dry hole marker and cut off 9-5/8" casing. Weld on casing head. Drilled out 18' surface plug. Tagged plug at 1707'. Circulated hole clean. Drilled out plug from 1707-1737'. Tagged soft plug at 4130'. Circulated soft plug out of hole. Tagged plug at 5030'. Drilled plug at 5130'. Tagged 4-1/2" stub at 6945'. TIH w/bit, drill collars and tubing and tagged fill at 7150'. Circulate and drill fill. Cleaned out to 7510'. Ran 169 joints of 7" 26# & 23# J-55 casing as follows: 50 joints of 7" 26# J-55 (2029.31'); 111 joints of 7" 23# J-55 (4564.23') and 8 joints of 7" 26# J-55 (352.54') (Total 6946.08') of casing set at 6946'. Slip joint set at 6947'. Cemented with 500 gallons WMW 1 and 500 gallons Surebond, 200 sacks Class "H", 5#/sack CSE, .65/sack CF-14 and 1/4#/sack celloseal (yield 1.31, weight 15.1). Displaced with 266 barrels fresh water. WOC. Made cut off on 7" casing. Tested casing. TIH w/bit, drill collars and tubing and tagged cement at 6658'. Drilled out 289' of cement. Circulated casing clean. TOH w/tubing, drill collars and bit. TIH w/bit, drill collars and tubing to 6947'. Drilled 5-1/2' of cement and metal shavings. Bit torqued up. TOOH. TIH w/impression block. TIH w/bit, drill collars and tubing. Drilled out 10' of cement and metal shavings and fell out of cement. Dropped down with bit to 7813'. Reverse hole clean. Tested casing. TIH w/shoe with wire inserts, wash pipe drill collar and tubing to 7813'. Drilled to 7840'. Did not catch bit cones. CONTINUED

14. I hereby certify that the foregoing is true and correct

Signed Busty Klein Title Production Clerk Date May 20, 1993

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

ACCEPTED FOR FILE
J. Lara
16 1993

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.

NM-78213

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Walt Canyon AMA Fed #1

9. API Well No.

30-015-10305

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other RE-ENTRY

2. Name of Operator

YATES PETROLEUM CORPORATION (505) 748-1471

3. Address and Telephone No.

105 South 4th St., Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL & 2310' FEL of Section 3-T22S-R24E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Commence operations, casing, perforations</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

CONTINUED FROM PAGE 1:

TIH w/wire filled cut lip shoe, wash pipe, drill collars, tubing, perforated sub to 7840'. Drilled to 7844'. TOOH. Caught 1 cone. TIH w/shoe with diamond and wire inserts, wash pipe, drill collars and tubing to 7844'. Drill and wash cement down to 7942'. TOOH and TIH w/bit, drill collars and tubing to 7942'. Drilled out cement to 7958'. Reversed hole clean. TIH w/bit, string mill and tubing. Work string mill through slip joint. TOH. TIH with bit, scraper and tubign to 7958'. Displaced hole with 2% KCL water. TOH. TIH w/logging tools. Could not get past 6954'. TOOH & TIH w/string mill. Worked thru tight spot at 6954'. TOOH. TIH w/logging tools and ran logs. TOOH & TIH w/packer and tubing to 7530'. WIH and prforated 7942-46' w/10 .42" holes (2 SPF). Spotted 2 barrels 20% NEFE acid. Set packer at 7788'. Acidized perforations 7942-7946' w/1500 gallons 20% NEFE acid and ball sealers.

14. I hereby certify that the foregoing is true and correct

Signed

Rusty Klen

Title Production Clerk

Date May 20, 1993

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

30-015-10305

NM OIL CONS. COMMISSION

Form 3160-5 (June 1990)

Drawer DD

Artesia, NM 88210 UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OIL CONSERVATION FORM APPROVED Budget FY 1990-1991-9135 REC Expires March 31, 1993

DEC 10 1992

SUNDRY NOTICES AND REPORTS ON WELLS O. C. D. '92 DE

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other Re-entry

2. Name of Operator

Yates Petroleum Corporation

3. Address and Telephone No.

105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

990' FSL and 2310' FEL Section 3-T22S-R24E

5. Lease Designation and Serial No.

NM-78213

6. If Indian, Allottee or Trust Name

7. If Unit or CA, Agreement Designation

Walt Canyon "AMA" Fed.

9. API Well No.

Wildcat

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Abandonment, Re-completion, Plugging Back, Casing Repair, Altering Casing, Other Re-entry, Change of Plans, New Construction, Non-Routine Fracturing, Water Shut-Off, Conversion to Injection, Dispose Water.

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Yates Petroleum Corporation plans to re-enter the captioned well which was plugged and abandoned by Arco on June 22, 1982. We plan to drill out the plugs down to the 4 1/2" casing stub at 6,985', tie back to the surface with 4 1/2" casing and test the Canyon Dolomite. Attached is a down hole plat and an Application to Re-enter with additional information.

RECEIVED NOV 2 3 55 PM '92

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

14. I hereby certify that the foregoing is true and correct. Signed [Signature] Title Landman Date 11-2-92

(This space for Federal or State office use)

Approved by [Signature] Title AREA MANAGER DATE 12-09-92

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

30-015-10305
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
NM-78213

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Walt Canyon "AMA" Fed.

9. WELL NO.
1

10. FIELD AND POOL, OR WILDCAT
Wildcat Canyon

11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA
Sec. 3-T22S-R24E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

1. TYPE OF WORK
DRILL DEEPEN PLUG BACK

2. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
Yates Petroleum Corporation ✓

3. ADDRESS OF OPERATOR
105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
990' FSL and 2310' FEL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
29 miles northwest of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
990'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL
320

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
8000'

20. ROTARY OR CABLE TOOLS
Cable tools Reverse Unit

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3953' GR

22. APPROX. DATE WORK WILL START*

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# H-40	398'	In Place
12 1/4"	9 5/8"	36# J-55	4204'	In Place
	4 1/2"	J55 LTC	26985'	Tie back into 9 5/8".

*FW Mud to be used.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ken Brandy TITLE Landman DATE 11-2-92

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 12-09-92

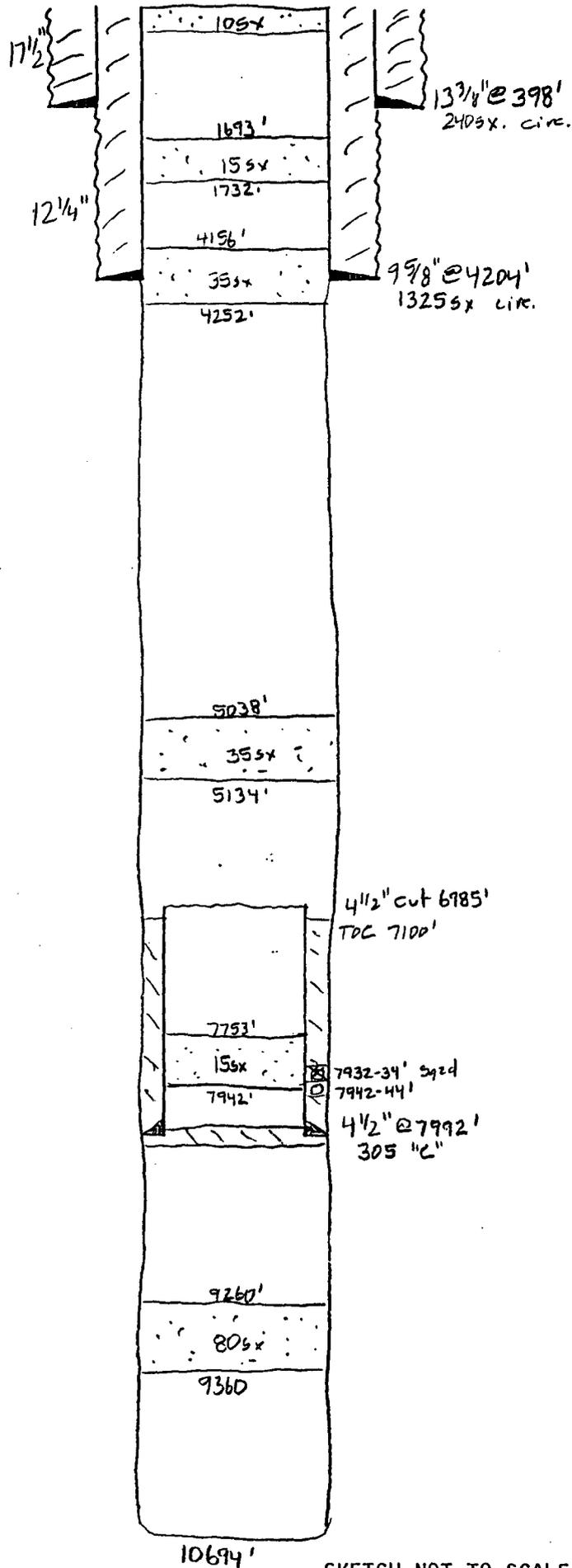
CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

WELL NAME: Walt Canyon Unit 1 FILED AREA: Uniontown, PA
 LOCATION: 990' FSL, 2310' FEL 3-229-24e Eddy 'M
 L: _____' ZERO: _____' AGL: _____'
 B: 3953' ORIG. DRG./COMPL. DATE: _____
 COMMENTS: _____

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH
1 3/8" 48 H40 STC	39
7/8" 36 J55 STC	42
4 1/2" J55 LTC	6985-
5 1/2" 17 J55 STC	79



4/64 : Perf 7942-44' Azd 2 250g. Swab wtr. + slt.
 Sqz. 1505x. Perf 7932-34' Azd 2 250g.
 Sqz. 1005x. Reperf 7942-44' Azd 2 2.6bl
 Swab wtr + sm. amt. oil.

- SKETCH NOT TO SCALE -

REVISED: _____

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

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

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

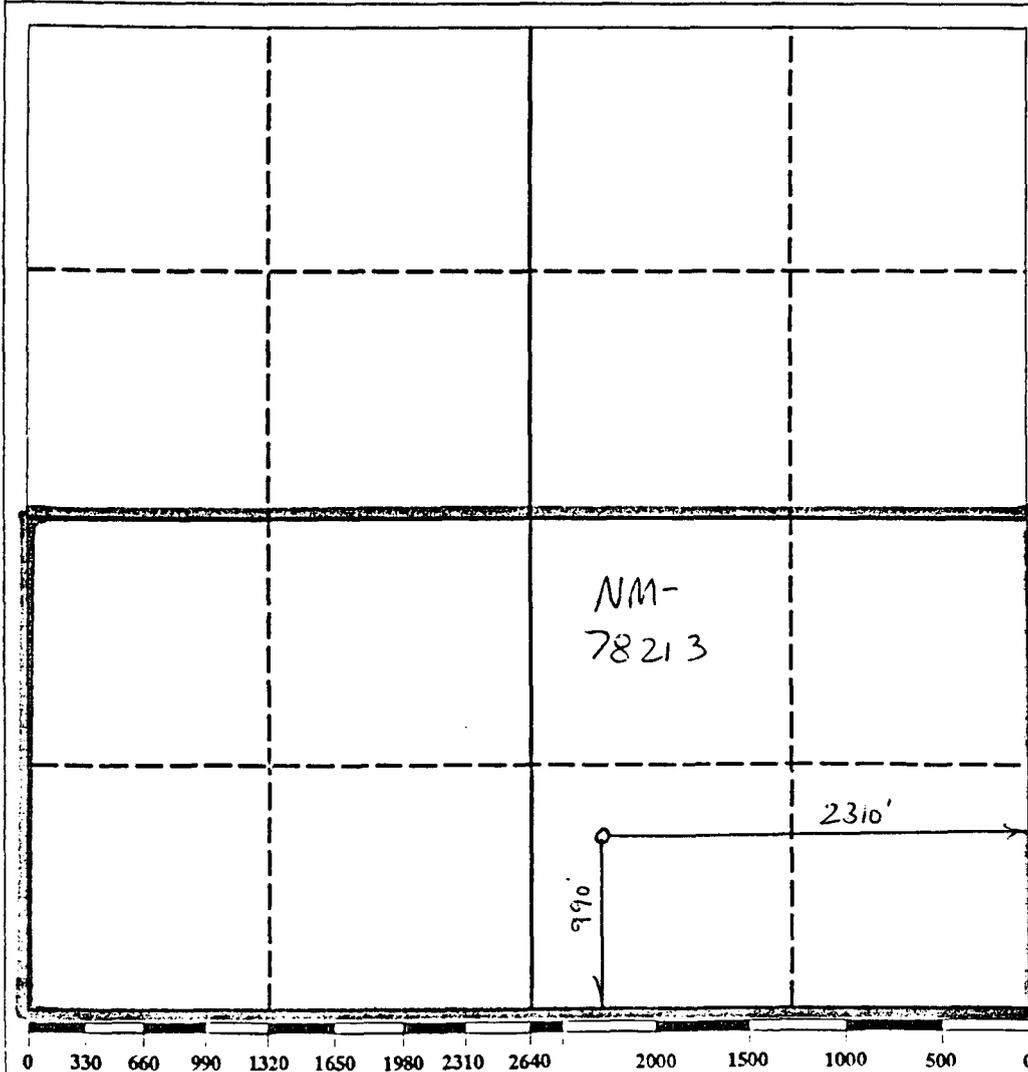
Operator YATES PETROLEUM CORPORATION			Lease WALT CANYON "AMA" FEDERAL		Well No. 1
Unit Letter O	Section 3	Township 22 South	Range 24 East	County EDDY	
Actual Footage Location of Well: 990 feet from the SOUTH line and 2310 feet from the EAST line					
Ground level Elev. 3953'	Producing Formation Canyon		Pool Wildcat	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?

Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *Ken Beardemphl*

Printed Name: Ken Beardemphl

Position: Landman

Company: Yates Petroleum Corporation

Date: November 2, 1992

SURVEYOR CERTIFICATION

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: Refer to Original Plat

Signature & Seal of Professional Surveyor: _____

Certificate No. _____

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

NUMBER OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE #	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
PRODUCTION OFFICE	
OPERATOR	

SECTION A

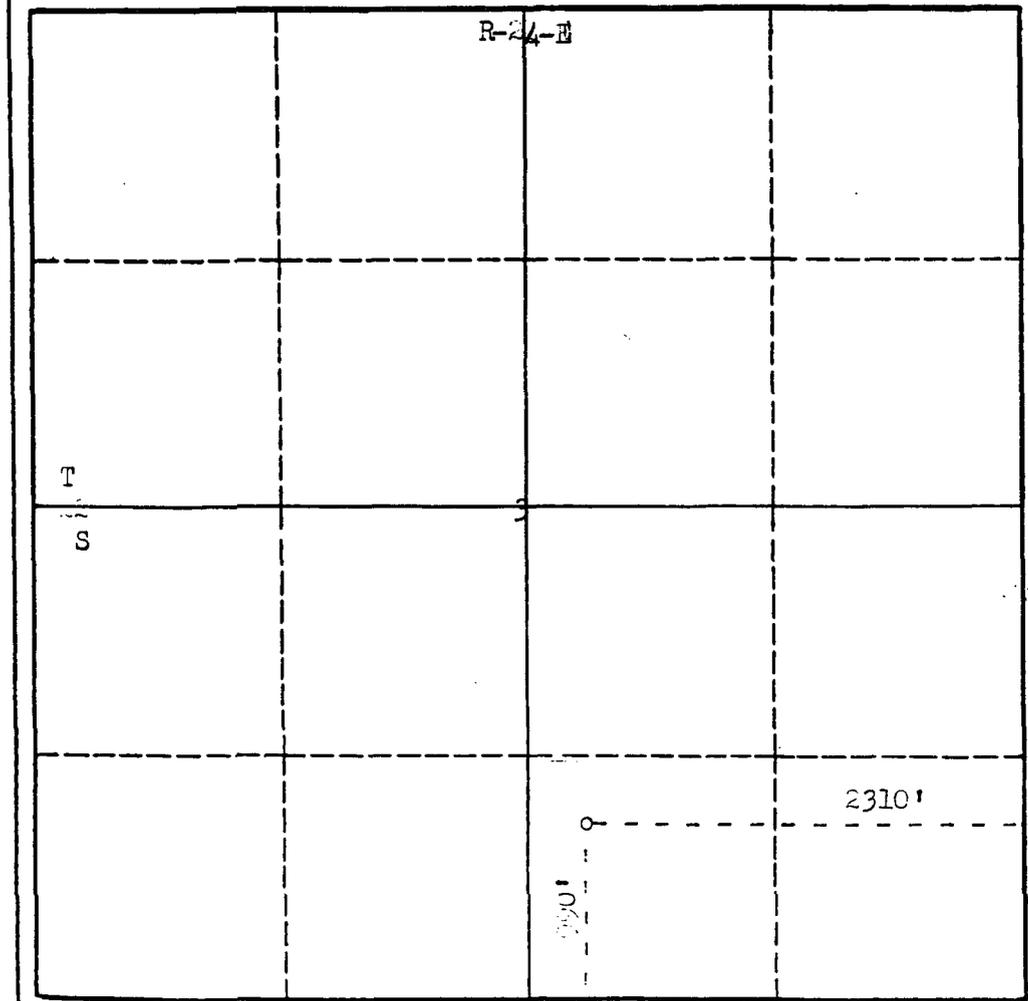
Operator Curtis R. Inman		Lease Walt Canyon Unit		Well No. 1
Unit Letter 0	Section 3	Township T-22-S	Range R-24-E	County Eddy
Actual Footage Location of Well: 990 feet from the South line and 2310 feet from the East line				
Ground Level Elev. 3970	Producing Formation	Pool <i>Mildred</i>	Dedicated Acreage: 640 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES _____ NO X. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES X NO _____. If answer is "yes," Type of Consolidation Federal Unit
3. If the answer to question two is "no," list all the owners and their respective interests below:

RECEIVED

Owner	Land Description
	JAN 10 1964
	O.C.C.

SECTION B



ARTESIAN OFFICE CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Curtis R. Inman
Name

Position

Company

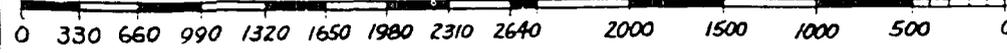
Date **January 2, 1964**

I hereby certify that the well location shown on the plat in SECTION B 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 2, 1963

Registered Professional Engineer and/or Land Surveyor
James H. Brown

Certificate No.



YATES PETROLEUM CORPORATION
Walt Canyon "AMA" Federal #1
990' FSL and 2310' FEL
Section 3-T22S-R24E
Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geological surface formation is caliche:
2. The estimated tops of geologic markers are as follows:

San Andres	533'
Delaware	1,302'
Bone Spring	2,100'
Wolfcamp	7,374'
Canyon	7,940'
TD	8,800'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Cased Over.
Oil or Gas:	All Zone Potential.
4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.
8. Testing, Logging and Coring Program:

Samples:	N/A
DST's:	N/A
Coring:	N/A
Logging:	CNL-LDT from TD to casing, with GR-CNL up to surface; DLL from TD to casing with RXO from TD over selected intervals.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
Walt Canyon "AMA" Federal #1
990' FSL and 2310' FEL
Section 3-T22S-R24E
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 29 miles northwest of Carlsbad, New Mexico, and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Go north of Carlsbad on Highway 285 for approximately 12 miles.
 2. Turn on Highway 137 for approximately 13 miles.
 3. Turn west for approximately four miles to location.
- 2. PLANNED ACCESS ROAD**
- A. None required.
- 3. LOCATION OF EXISTING WELL**
- A. There is no drilling activity within a one-mile radius of the wellsite.
 - B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**
- A. There are no production facilities on this lease at the present time.
 - B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.
- 5. LOCATION AND TYPE OF WATER SUPPLY:**
- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.
- 6. SOURCE OF CONSTRUCTION MATERIALS:**
- Re-entry well.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach. A cross section of a drill pad with approximate cuts, fills and pad orientation is shown on Exhibit E.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been levelled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.

11. SURFACE OWNERSHIP: Bureau of Land Management, Carlsbad, New Mexico

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Ken Beardemphl, Landman
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

B. Through Drilling Operations,
Completions and Production:

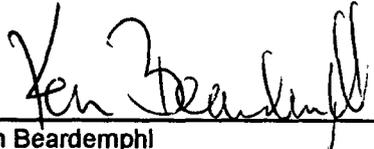
Mike Slater, Operations Manager
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

14. CERTIFICATION:

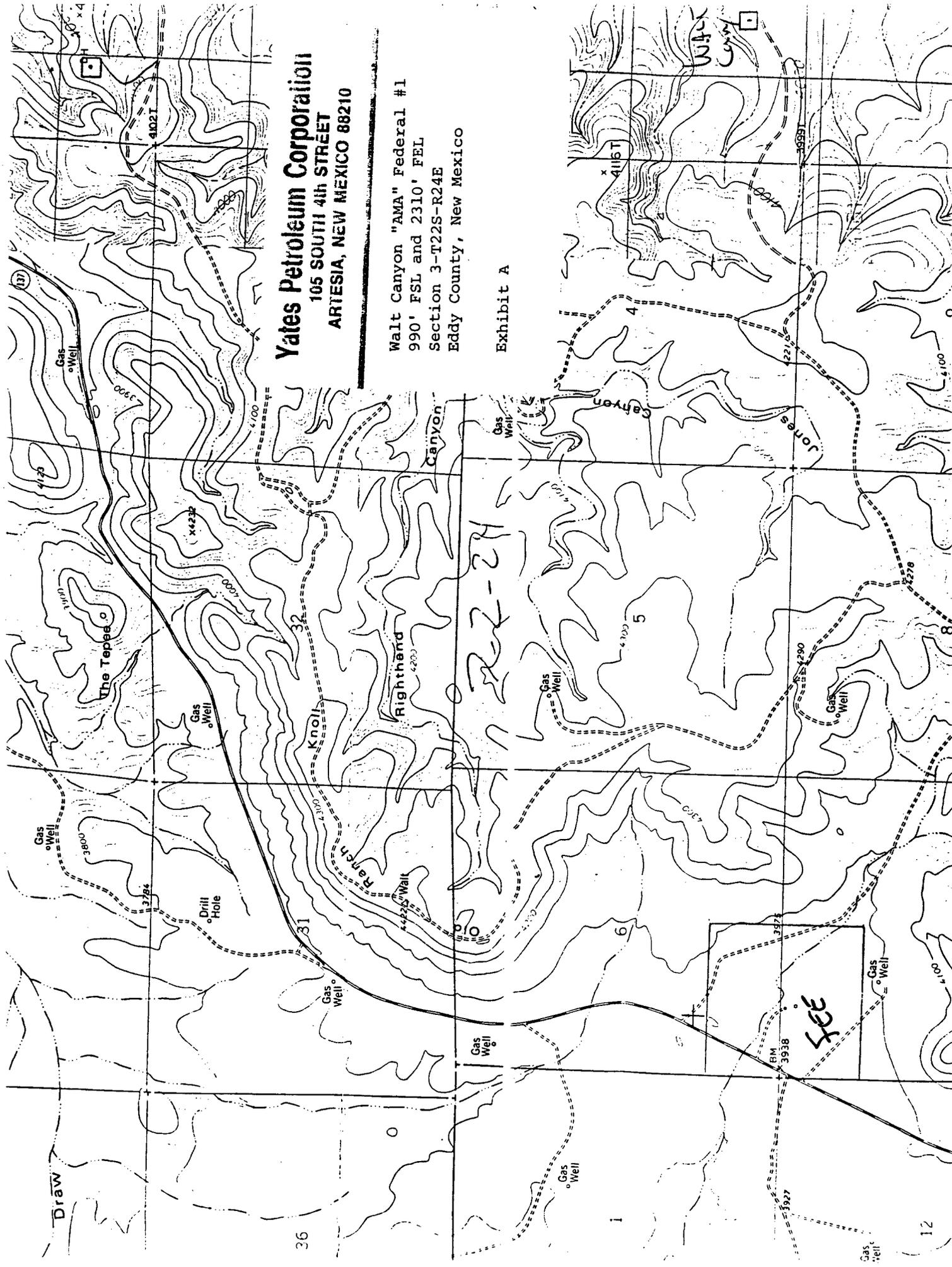
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

11-02-92

Date



Ken Beardemphi
Landman

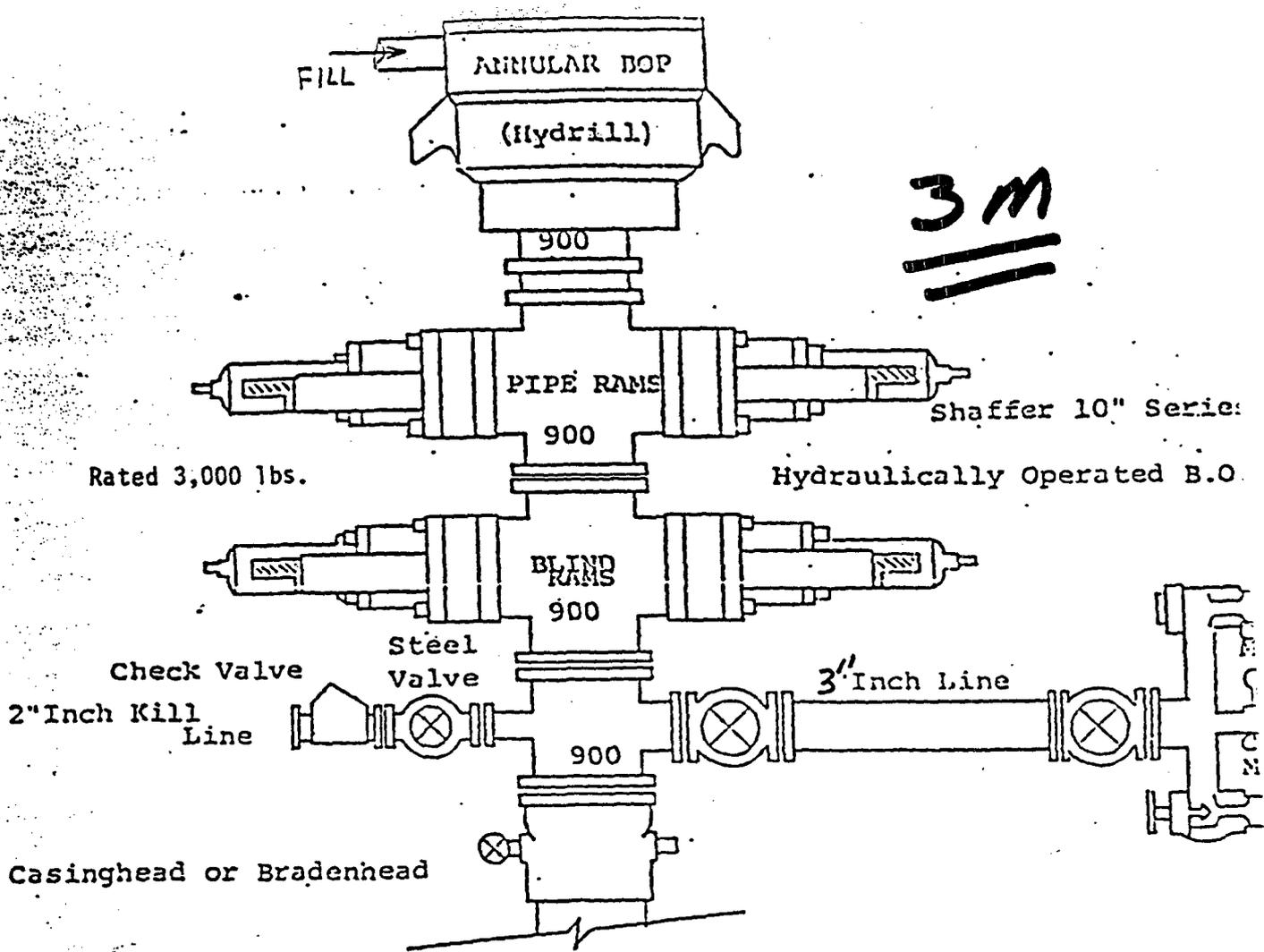


Yates Petroleum Corporation
 105 SOUTH 4th STREET
 ARTESIA, NEW MEXICO 88210

Walt Canyon "AMA" Federal #1
 990' FSL and 2310' FEL
 Section 3-T22S-R24E
 Eddy County, New Mexico

Exhibit A

SEE



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual c installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all st hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of t required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equ to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor
9. Hole must be kept filled on trips below intermediate casing.

EXHIBIT
B

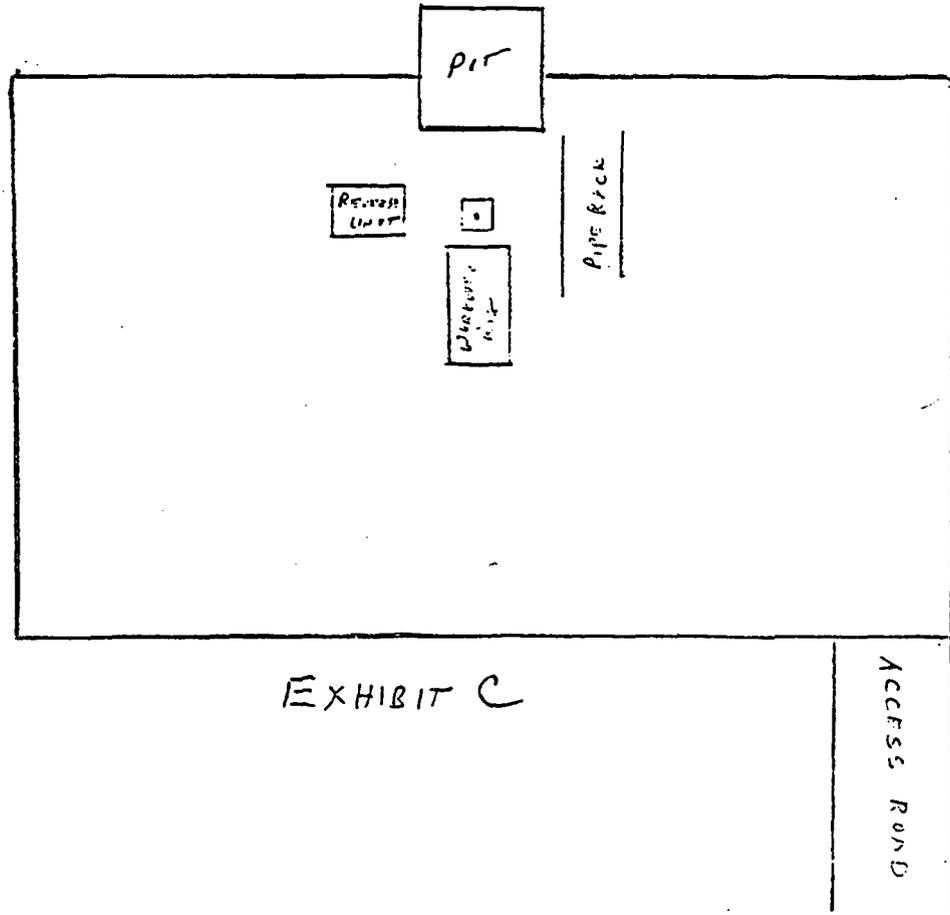
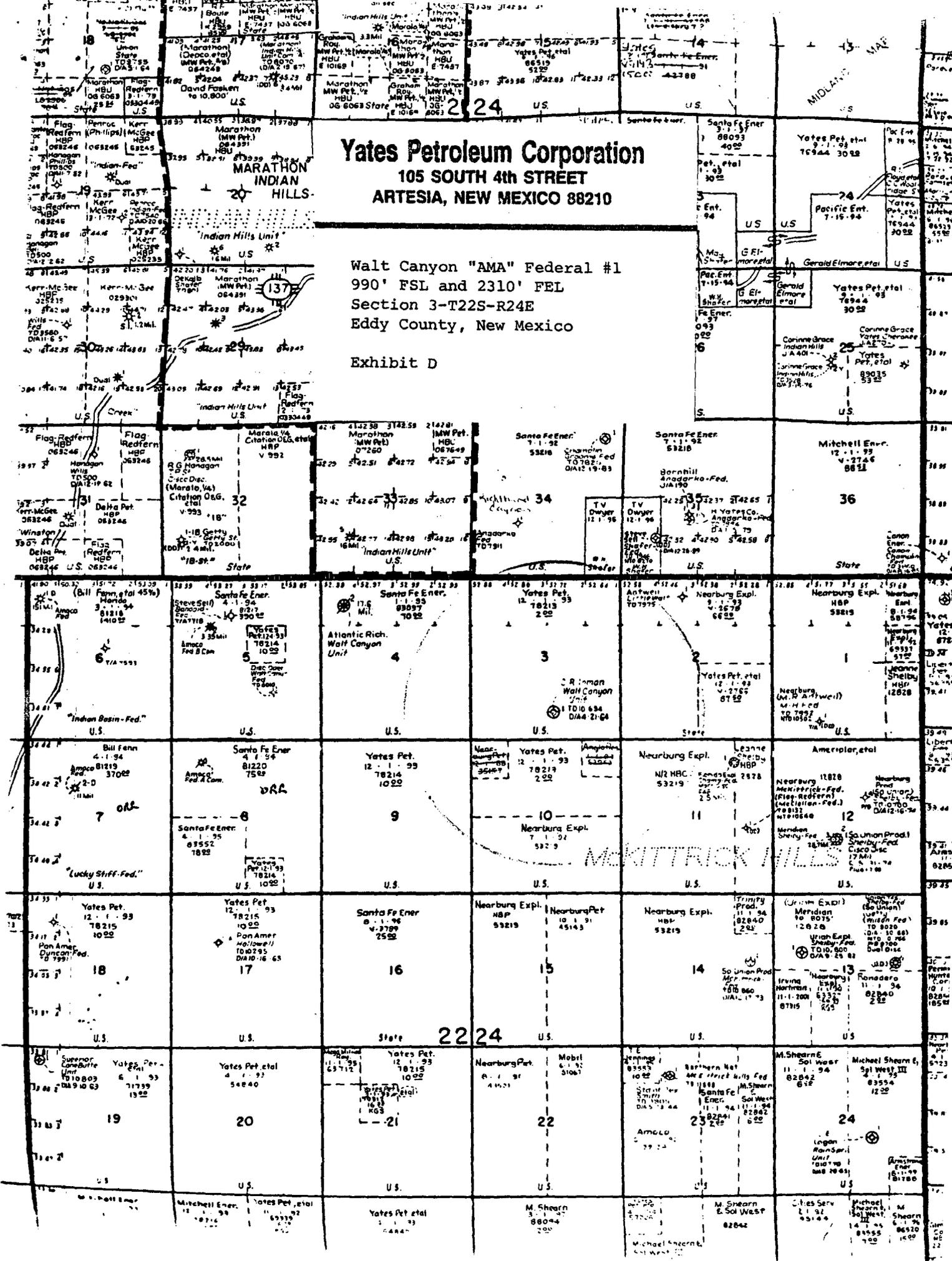


EXHIBIT C

Yates Petroleum Corporation
 105 SOUTH 4TH STREET
 ARTESIA, NEW MEXICO 88210

Walt Canyon "AMA" Federal #1
 990' FSL and 2310' FEL
 Section 3-T22S-R24E
 Eddy County, New Mexico

Exhibit D



MARATHON
 INDIAN
 HILLS

137

McKITTRICK HILLS

22 24

WRS COMPLETION REPORT

COMPLETIONS SEC 3 TWP 22S RGE 24E
 PI# 30-T-0006 09/10/93 30-015-10305-0001 PAGE 1

NMEX EDDY * 990FSL 2310FEL SEC SW SE
 STATE COUNTY FOOTAGE SPOT
 YATES PET WDX DO
 OPERATOR WELL CLASS INIT FIN
 1 WALT (CANYON) "AMA" FEDERAL
 WELL NO. LEASE NAME
 3953GR INDIAN BASIN
 OPER ELEV FIELD POOL AREA
 API 30-015-10305-0001
 LEASE NO. PERMIT OR WELL I.D. NO.
 04/26/1993 06/24/1993 ROTARY VERT OIL-WO
 SPUD DATE COMP. DATE TYPE TOOL HOLE TYPE STATUS
 8000 PNNSYLVN NOT RPTD
 PROJ. DEPTH PROJ. FORM CONTRACTOR
 DTD 10694 PB 8612 OTD 10694 FM/TD MSSP
 DRILLERS T.D. LOG T.D. PLUG BACK TO OLD T.D. FORM T.D.

LOCATION DESCRIPTION

16 MI SW LAKEWOOD, NM
 1 3/4 MI SE/7716 (CSCO) GAS PROD IN INDIAN BASIN FIELD

WELL IDENTIFICATION/CHANGES

FIELD CHGD FROM WILDCAT
 PROJ FORM CHGD FROM CANYON

CASING/LINER DATA

CSG 7 @ 6946 W/ 200 SACKS
 LNR 3 1/2 6803- 8600 W/ 200S

TUBING DATA

TBG 2 3/8 AT 6604

INITIAL POTENTIAL

IPP 110BOPD 65 MCFD2370BW 24HRS
 CANYON PERF W/ 38/IT 7942- 8008 GROSS
 PERF 7942- 7946 7995- 8008
 ACID 7995- 8008 1500GALS
 20% NEFE
 ACID 7942- 7946 1500GALS
 20% NEFE
 FIELD GOR 591 GTY - NO DETAILS
 /RESERVOIR
 /PENNSYLVANIAN U

CONTINUED IC# 300157043392

COPYRIGHT 1993



Petroleum Information Corporation

PI-WRS-GET
Form No. 187

COMPLETIONS SEC 3 TWP 22S RGE 24E
PI# 30-T-0006 09/10/93 30-015-10305-0001 PAGE 2

YATES PET WDX DO
1 WALT (CANYON) "AMA" FEDERAL

DRILLING PROGRESS DETAILS

YATES PET
105 S 4TH
ARTESIA, NM 88210
505-748-1471

OWWO: OLD INFO: FORMERLY INMAN CURTIS R 1 WALT
(CANYON) UNIT. ELEV 3970 DF. SPUD 1/25/64.
13 3/8 @ 395 W/250 SX, 9 5/8 @ 4204 W/ 1325 SX,
4 1/2 @ 7992 W/305 SX. LOG TOPS: MORROW 9910,
BARNETT 10496, MISSISSIPPIAN 10668. OTD 10694.
COMP 6/22/82. D&A
OLD RECORDS SHOW ELEV 3970 DF

11/06 LOC/1992/
09/03 CO TO 6946
RAN 7 CSG
DOC TO 8600
RAN 3 1/2 LNR
OPER FOUND THAT ORIG 4 1/2 CSG SET @ 7992 HAD
BEEN PLD
RIG REL 05/03/93
09/03 10694 ID, PB 8612
COMP 6/24/93, IPP 110 BO, 65 MCFG, 2370
BWP, GOR 591, GTY (NR)
PROD ZONE - PENNSYLVANIAN U 7942-8008

county Eddy

Pool Indian Basin = Upper Pennsylvanian Associat

TOWNSHIP

22 South

Range 24 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Description: $\frac{W}{2}$ Sec. 17 (R-9922, 7-6-93)

Ext: All Secs. 3, 9, 10, and 16, $\frac{E}{2}$ Sec. 17 (R-9963, 9-20-93)

Ext: $\frac{W}{2}$ Sec. 7 (R-10042, 12-28-93) Ext: $\frac{N}{2}$ Sec. 11 (R-10124, 5-31-94)

Ext: All Secs. 4, 5, 7, and 8 (R-10137, 6-22-94) Ext: $\frac{E}{2}$ Sec. 2 (R-10159, 7-26-94)

Ext: All Sec. 6 (R-10892, 10-8-97)

Ext: All Sec. 18 (R-9922-11, 12/1/96)

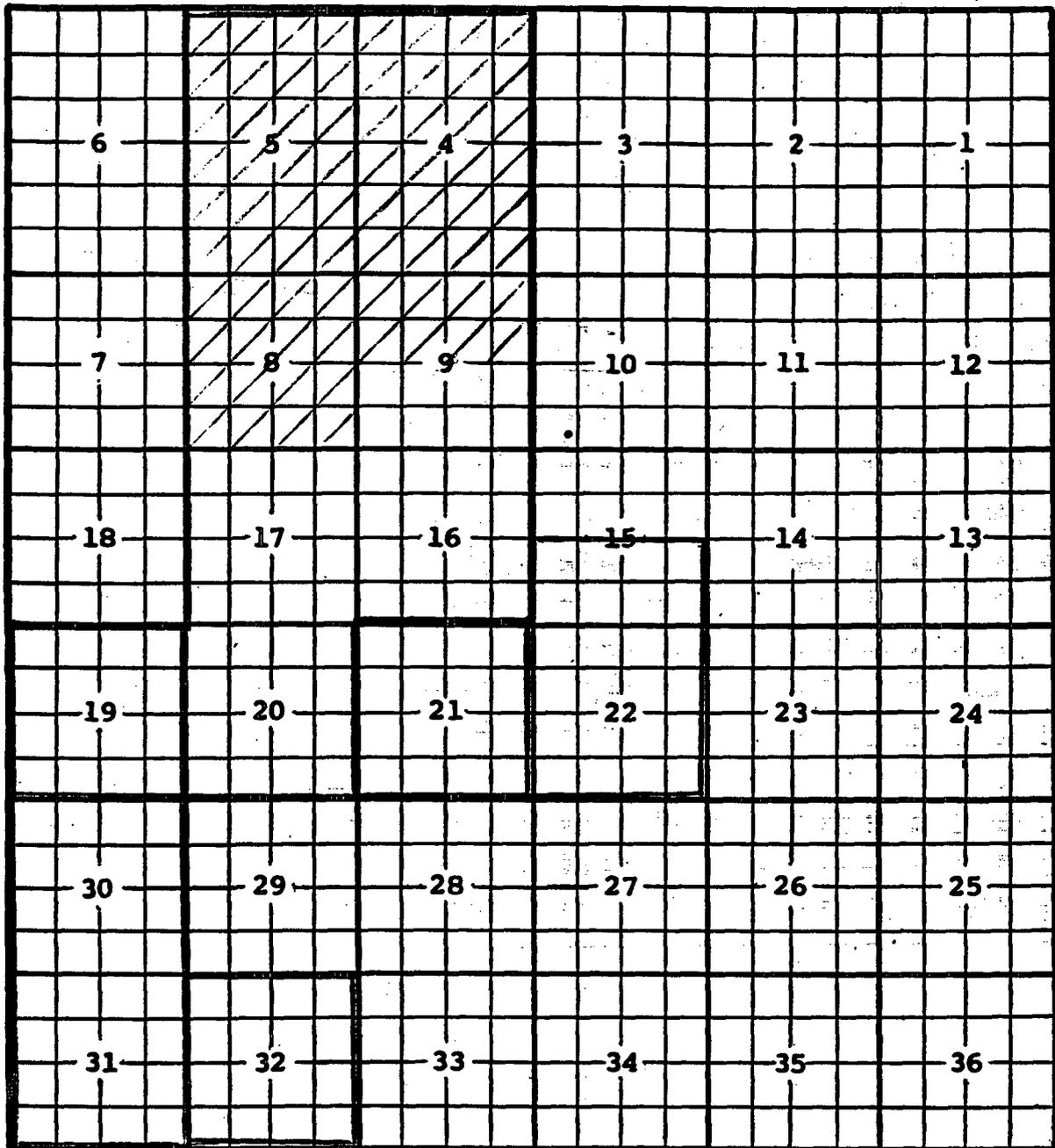
COUNTY *Eddy*

POOL *Indian Basin - Morrow Gas*

TOWNSHIP *21 South*

RANGE *24 East*

NMPM



Ext: All Sec 19 (R-2724, 7-1-64) - All Sec 30 & 31 (R-2911, 6-1-65)

- All Secs 4, 5, 8, 9, 16, 17, & 20 (R-3758, 6-1-69)

Deletion: All Secs 4 & 5 (R-5162, 3-1-76)

Deletion: 1/2 Sec 9 (R-5891, 1-1-79) Deletion: All Sec 8 (R-5885, 12-31-78)

Ext: All Sec. 32 (R-8391, 1-22-87) EXT: All Sec 31 (R-8969, 8-1-89)

Ext: 1/2 Sec. 15, All Sec. 22 (R-9963, 9-20-98)

*Special Pool Number
are confined to the
Pool Boundary only*

CMD : ONGARD 01/04/00 16:36:51
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TPYC

API Well No : 30 15 10305 Eff Date : 05-01-1993 WC Status : A
Pool Idn : 33685 INDIAN BASIN;UPPER PENN (ASSOC)
OGRID Idn : 25575 YATES PETROLEUM CORPORATION
Prop Idn : 12871 WALT CANYON AMA FEDERAL

Well No : 001
GL Elevation: 3970

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: O	3	22S	24E	FTG 990 F S	FTG 2310 F E	P

Lot Identifier:

Dedicated Acre: 320.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

CMD : ONGARD 01/11/00 08:26:59
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TPSZ

OGRID Idn : 25575 API Well No: 30 15 28129 APD Status(A/C/P): A
Opr Name, Addr: YATES PETROLEUM CORPORATION Aprvl/Cncl Date : 09-01-1994
105 S 4TH ST
ARTESIA,NM 88210

Prop Idn: 12871 WALT CANYON AMA FEDERAL Well No: 2

	U/L	Sec	Township	Range	Lot Idn	North/South	East/West
Surface Locn :	L	3	22S	24E		FTG 1450 F S	FTG 790 F W
OCD U/L :			API County :	15			

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): O Cable/Rotary (C/R) : F
Lease typ(F/S/P/N/J/U/I): F Ground Level Elevation : 4027

State Lease No: Multiple Comp (Y/N) : S
Prpsd Depth : 8700 Prpsd Frmtn : CANYON

E0009: Enter data to modify record

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

01/04/00 16:35:43
OGOMES -TPYC
PAGE NO: 2

Sec : 03 Twp : 22S Rng : 24E Section Type : NORMAL

L 40.00 Federal owned A	K 40.00 Federal owned	J 40.00 Federal owned	I 40.00 Federal owned
M 40.00 Federal owned	N 40.00 Federal owned	O 40.00  Federal owned A	P 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12