

102238009

NSL 2/1/01

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



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

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TREASURER

January 10, 2001

Mr. Michael Stogner  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

**CERTIFIED MAIL**  
*Return Receipt Requested*

RE: Application for Unorthodox Location  
Hytech AUM State No. 3  
Wildcat Devonian Pool  
Township 10 South, Range 34 East  
Section 2: SW/4NW/4  
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation respectfully requests administrative approval for an unorthodox Devonian oil well, the Hytech AUM St. #3. The proposed well is located on State of New Mexico minerals, at a location of 1000'FWL & 1500' FNL of Section 2, Township 10 South, Range 34 East, Lea County, New Mexico.

Drilling is required at this non-standard location in order to penetrate the objective reservoir of the most favorable structural position.

Please find enclosed a geologic structure map depicting the top of the Devonian depth structure based on 3-D seismic survey.

Notification is not necessary in this application as ~~Yates Petroleum Corporation is the offset operator of drilling units in all directions.~~

Yates request that this unorthodox location be administratively approved if all requirements have been met.

Enclosed are Forms C-101, C-102, land plat and geological justification.

Please call me at (505) 748-4351 if you need any additional information.

Thank you.

Very truly yours,

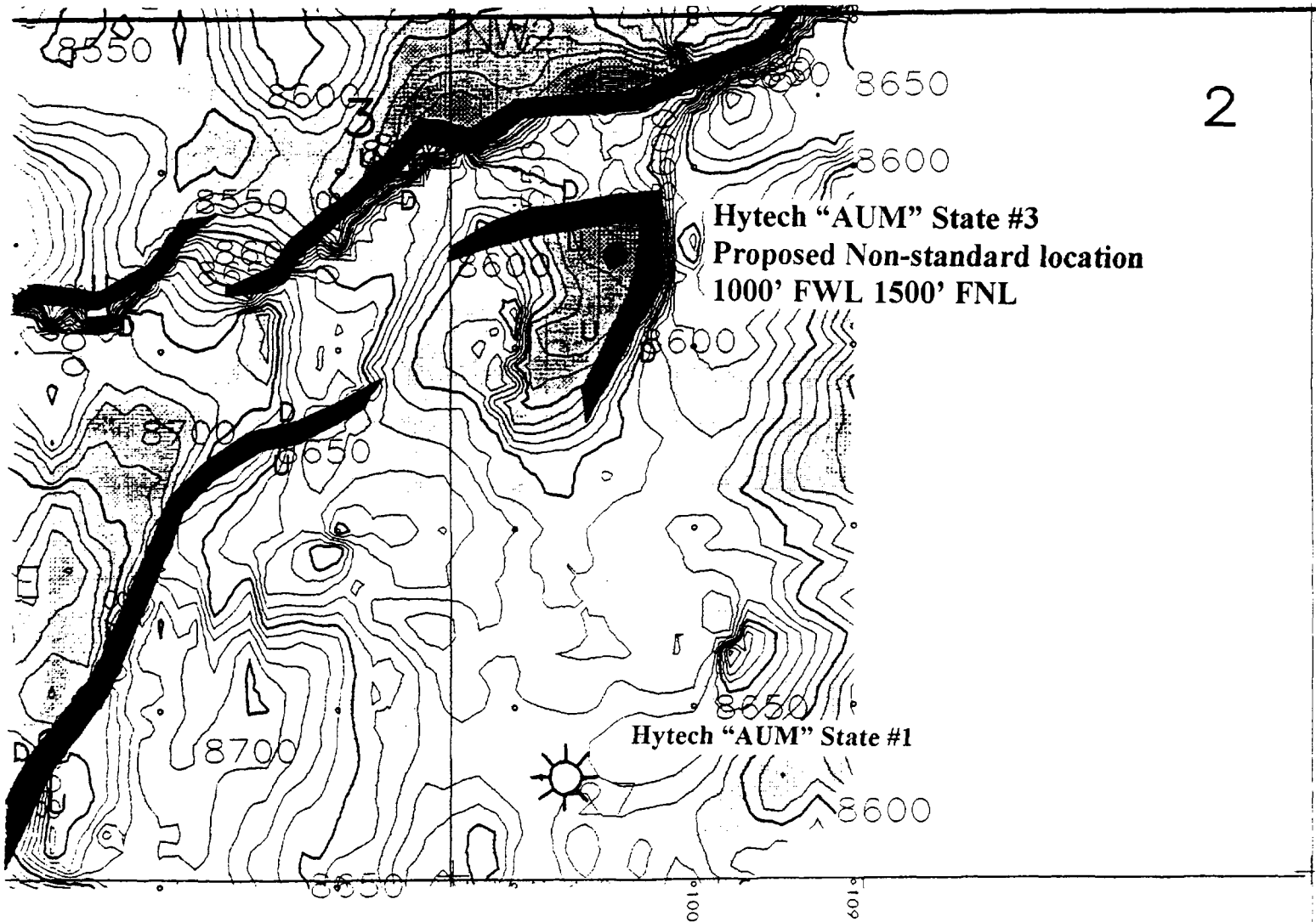
**YATES PETROLEUM CORPORATION**

Robert Bullock  
Landman

RB:bn  
enclosure(s)

**Hytech "AUM" State #3, non-standard location  
Description and Geologic Justification**

Yates Petroleum Corporation is seeking approval for a non-standard location for the Hytech "AUM" State #3 well for geological reasons. This well is planned as a 13,000' Devonian test located 1000' fwl and 1500' fnl, section 2, T10S R34E in Lea, Co. The primary objective of this well is a small fault bounded structural high, which has been identified with 3D seismic data. (see figure 1). Drilling is required at this non-standard location in order to penetrate the objective reservoir at the most favorable structural position and maximize the potential hydrocarbon recovery.



**Yates Petroleum Corporation  
Hytech "AUM" State #3  
Non-standard location  
1000' FWL 1500' FNL  
T10S R34E Sec. 2**

**Figure 1  
Top Devonian Depth Structure  
Based on 3-D Seismic Survey  
C.I. 10'**

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-101

Revised March 17, 1999

Instructions on back

Submit to appropriate District Office

DISTRICT II

811 South First, Artesia, NM 88210

## OIL CONSERVATION DIVISION

PO BOX 2088

Santa Fe, NM 87504-2088

State Lease - 6 Copies

Fee Lease - 5 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87501

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-
<sup>4</sup> Property Code 25245	<sup>5</sup> Dome Hytech "AUM" State	<sup>6</sup> Well No. 3

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South Line	Feet from the	East/West Line	County
E	2	10S	34E		1500	North	1000	West	Lea

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South Line	Feet from the	East/West Line	County
<sup>9</sup> Proposed Pool 1 Wildcat Devonian					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 4202'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 13,000'	<sup>18</sup> Formation Devonian	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

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

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	400'	400 sx	Surface
11"	8 5/8"	32#	4200'	1750 sx	Surface
7 7/8"	5 1/2"	17# & 20#	13,000'	900 sx	TOC-7300

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

Yates Petroleum Corporation proposes to drill and test the Devonian and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4200' and cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FWGel; 400-4200' FW Cut Brine to Brine; 4200-7800' Cut Brine; 7800'-11700' Brine/Salt Gel/Diesel; 11700'-TD Salt Gel/Starch/Driscap.

BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Clifton R. May</i>		Approved by:	
Printed name: Clifton R. May		Title:	
Title: Regulatory Agent		Approval Date:	Expiration Date:
Date: 01/03/01	Phone: (505) 748-1471	Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I  
1828 N. French Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brasos Ed., Artesia, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised March 17, 1999  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name WILDCAT DEVONIAN
Property Code 25265	Property Name HYTECH "AUM" STATE	Well Number 3
OGED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4202

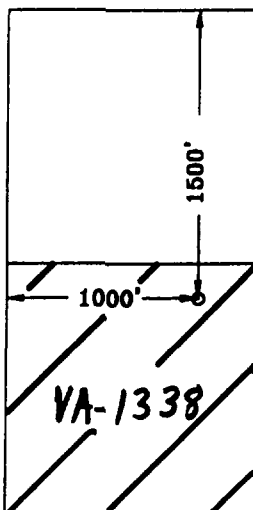
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	2	10S	34E		1500	NORTH	1000	WEST	LEA

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
Dedicated Acres 40	Joint or Infill	Consolidation Code	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

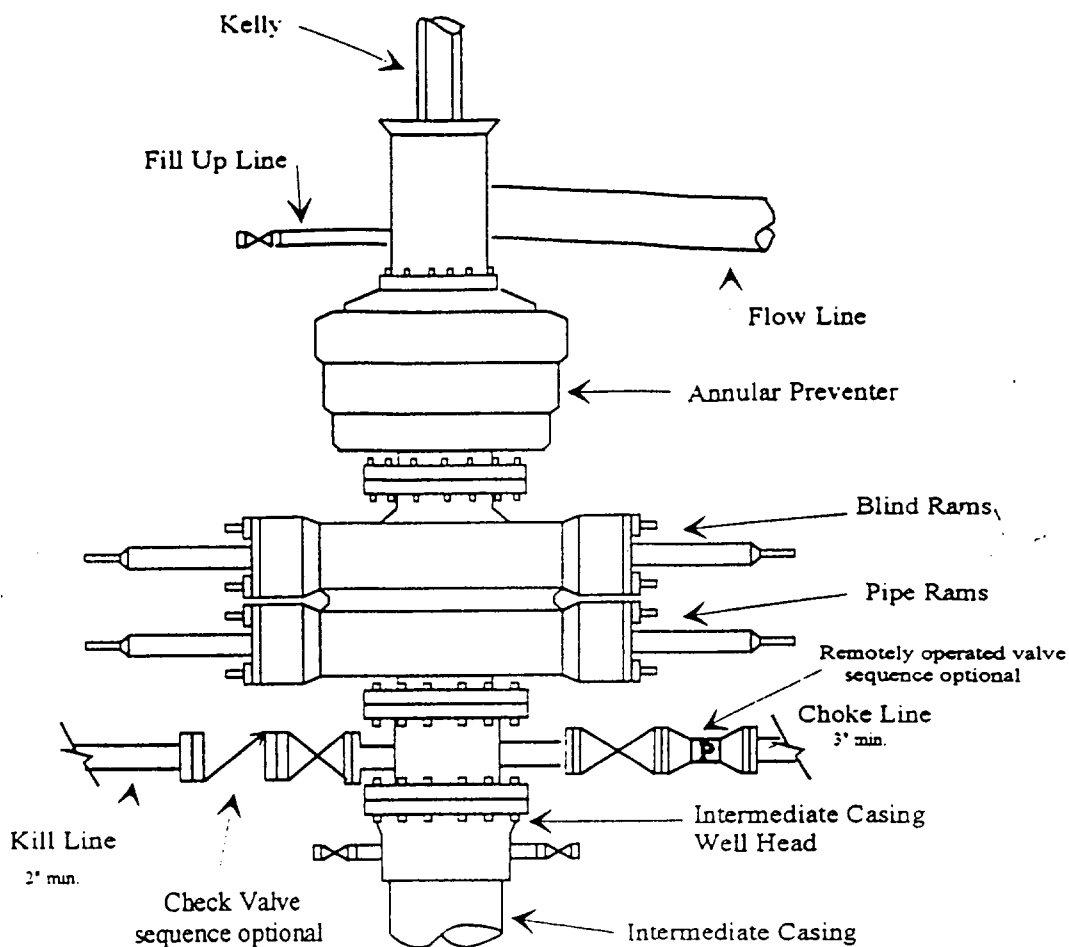
				<b>OPERATOR CERTIFICATION</b> I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature CLIFTON R. MAY Printed Name REGULATORY AGENT Title 01-03-01 Date	
				<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date Surveyed 12/21/2000 Signature of Registered Professional Surveyor H. JONES 2640 Certificate No. H. Jones RLS 3640 HYTECH W/L GENERAL SURVEYING COMPANY	



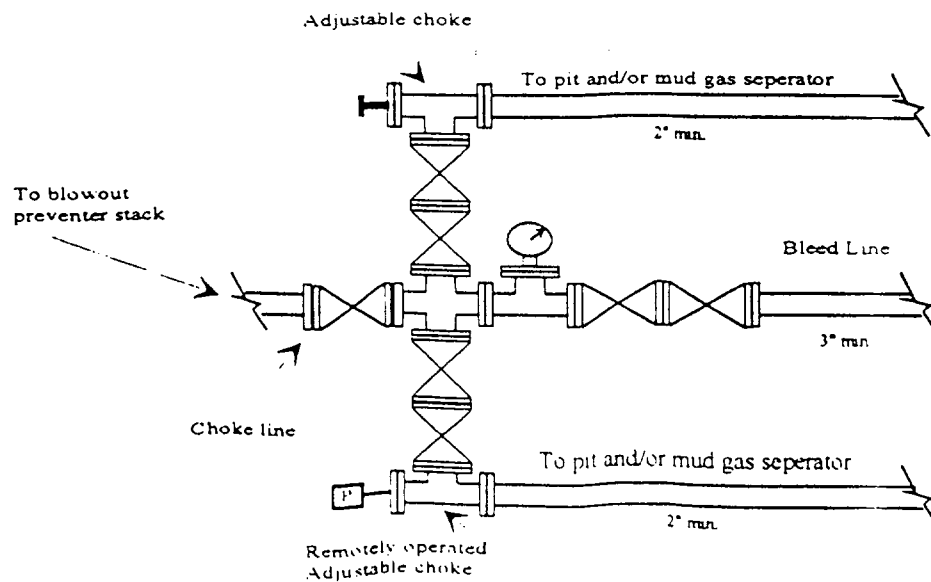
# Yates Petroleum Corporation

BOP-4

## Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features





<p>Oil Corp. AC</p> <p>Trading 3-10-00</p> <p>Western States Equip. Hutcherson</p> <p>(Altura) HBP</p> <p>Penroc Oil</p> <p>Penroc</p> <p>Tex. Pac. Stone</p> <p>Richard Heaster et al. M.I.</p> <p>O.L. Stone, M.I.</p> <p>Gladye M.I.</p> <p>Caswell Cattle Co.</p>	<p>Yates Pet. et al</p> <p>6-17-2005</p> <p>6-6-2005</p> <p>5-23-2005</p> <p>Yates Pet. et al</p> <p>6-6-2005</p> <p>6-2-2005</p> <p>5-23-2005</p> <p>Amerado Ainsworth</p> <p>Yates Pet. et al</p> <p>5-17-2005 (Del.)</p> <p>5-17-2005</p> <p>5-11-2005 Apache</p> <p>5-22-2005 Cole</p>
<p>27</p> <p>Penroc 4-7-2007</p> <p>Tex. Pac. Stone</p> <p>Richard Heaster et al. M.I.</p> <p>O.L. Stone, M.I.</p> <p>Gladye M.I.</p> <p>Caswell Cattle Co.</p>	<p>26</p> <p>White Shield Crossroads</p> <p>Caswell Cattle Co.</p>
<p>25</p> <p>Yates Pet. et al</p> <p>5-12-2005</p> <p>Amerado Cole</p> <p>TO 9910</p> <p>OIA 1-25-63</p> <p>C.F. Wright M.I.</p> <p>Snake Ainsworth Life Est. E.M.I.</p> <p>Caswell Cattle Co. (S)</p>	<p>Yates Pet. et al</p> <p>6-1-2010</p> <p>5000</p> <p>Yates Pet. et al</p> <p>6-1-2010</p> <p>5000</p> <p>Yates Pet. et al</p> <p>6-1-2010</p> <p>5000</p> <p>Yates Pet. et al</p> <p>6-1-2010</p> <p>5000</p>
<p>34</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>35</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>36</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>36</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>37</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>37</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>38</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>38</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>39</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>39</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>40</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>40</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>41</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>41</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>42</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>42</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>43</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>43</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>44</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>44</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>45</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>45</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>46</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>46</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>47</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>47</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>48</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>48</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>49</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>49</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>
<p>50</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>	<p>50</p> <p>Yates Pet. et al</p> <p>12-1-2003</p> <p>92197</p> <p>23400</p> <p>U.S. MI</p> <p>Caswell Cattle Co.</p>

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E 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00	F 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00	G 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00	H 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00

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PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

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M 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00 A	N 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00	O 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00	P 40.00 TWR VA1338 0000 YATES PETROLEUM C 03/01/00

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