

DATE 1/25/02	SUBMITTER 2/14/02	ENGINEER MS	LOGGED IN KV	TYPE NSL	APP NO 202827324
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]

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

[A] Location - Spacing Unit - Simultaneous Dedication

☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [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

[D] Other: Specify _____

JAN 25 2002

[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Robert Bullock
 Print or Type Name

Robert Bullock
 Signature

Landman
 Title

1-22-02
 Date

e-mail Address

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



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
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

January 21, 2002

Mr. Michael Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87508

CERTIFIED MAIL
Return Receipt Requested

RE: Non-Standard Location
Vada "AVJ" St Com #1
Township 10 South, Range 34 East
Section 3: Surface: 1980' FSL & 660' FWL
Bottom Hole: 2193' FSL & 748' FWL
Lea County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation hereby requests administrative approval for a non-standard Morrow gas well location, the Vada "AVJ" St Com #1. This well is located on State of New Mexico minerals at a surface location 1980' FSL and 660' FWL of Section 3, Township 10 South, Range 34 East, Lea County, New Mexico.

Yates permitted the well on 6-14-2000 as a re-entry of an existing well bore with the work to be done by a completion rig and reverse unit. The re-entry attempt failed after tubing left in the hole by the previous operator could not be removed.

It was decided to run a gyro, set a whipstock in the casing at 11,229' and sidetrack the well around the junk with a drilling rig. It was originally anticipated to sidetrack out of the "high side" of the casing. A whipstock was set on top of a CIBP that had been placed in the well after the failed re-entry attempt and this well was sidetracked. This sidetrack operation was not directionally controlled to a pre-determined bottom hole location. Deviations of 7 degrees were recorded after sidetracking and the final deviation was 2 ¾ degrees. The manner in which this well was sidetracked was chosen as the simplest, most cost-effective method. As you can tell by the gyro the original well bore already had a bottom hole location 142' north of the orthodox location. This means that the natural deviation of the wellbore when originally drilled drifted to an unorthodox location. Yates did not intend to further deviate the wellbore from an orthodox location. Yates hereby requests administrative approval to produce this well in the Morrow formation with the producing perforations 2193' FSL and 748' FWL. We further request this well location be approved for all formations developed on 320 acre spacing in the south half of Section 3 which are unorthodox.

Notification to the offset operator to the west was made by certified mail on January 22, 2002 including a copy of this application letter with all attachments. Thank you.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Robert Bullock
Landman

RB:bn
enclosures: Land Plat

List of Affected Parties
C-101, 102
Notification Letters
Totco Survey
Administrative Application Checklist

depth
11973' - 11982

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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EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

January 21, 2002

Penroc Oil Corporation
PO Box 5970
Hobbs, NM 88241

Certified Mail
Return Receipt Requested

RE: Offset Operator Notification
Non-standard Location
Vada "AVJ" St Com #1
Township 10 South, Range 34 East
Section 3: Surface: 1980' FSL & 660' FWL
Bottom Hole: 2193' FSL & 748' FWL
Lea County, New Mexico

Gentlemen:

Yates Petroleum Corporation has drilled and completed the captioned well at the non-standard location described above. This location does not comply with the well spacing requirements set forth in the New Mexico Oil Conservation Division Rule 104 C.2(a).

If you have no objections to this non-standard location please signify your approval by signing one copy of this letter in the space provided below and returning same to the undersigned. Any objection must be filed in writing with the New Mexico Oil Conservation Division within twenty (20) days from the date of this notice.

The undersigned hereby waives any objection to the non-standard location drilled and completed by Yates Petroleum Corporation.

Very truly yours,

YATES PETROLEUM CORPORATION

Robert Bullock
Landman

RB:bn
enclosure(s)

Penroc Oil Corporation

By: _____

Title: _____

Date: _____

NOTIFICATION LIST

- 1. PENROC OIL CORPORATION
PO BOX 5970
HOBBS, NM 88241**

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
Property Code		API Number 30-025-01813
Property Name Vada	State NM	Well No. 1

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	3	10S	34E		1980'	South	660'	West	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
⁹ Proposed Pool 1 Wildcat Devonian					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary Pulling Unit	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4221'
¹⁶ Multiple No	¹⁷ Proposed Depth 13,011'	¹⁸ Formation Devonian	¹⁹ Contractor Not determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	370'	350 sx	In Place
12 1/4"	9 5/8"	36 & 40#	4355'	2000 sx	In Place
8 3/4"	7"	23 & 26#	12800'	350 sx	In Place

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary. Yates Petroleum Corporation's plan is to re-enter the well with a pulling unit and reverse unit to drill out the cement plugs in the 9 5/8" casing and in the 7" liner then clean out inside the 7" liner to 11,800'. A 50 joint tubing fish inside the 7" liner will be removed and the liner will be tested to see if it will hold pressure. If either the 7" or 9 5/8" casing strings are bad, a new string of 4 1/2" casing will be run to 12,500'+/- and cemented to 7,500'. The possible formation to be completed will be the Morrow at 12,200'+/-.

BOPE PROGRAM: A 5000# BOPE will be installed on the 9 5/8" casing.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Ken Beardemph

Title: Landman

Date:

June 14, 2000

Phone:

505-748-1471

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

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

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised March 17, 1999

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-01813		Pool Code	Pool Name Wildcat Devonian	
Property Code	Property Name Vada "AVJ" State		Well Number 1	
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 4221'	

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	10S	34E		1980'	South	660'	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		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

<div><p>16</p><p>VA-1430 660' 1980'</p></div>	<h4>¹⁷ OPERATOR CERTIFICATION</h4> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature: </p> <p>Printed Name: Ken Beardemphl</p> <p>Title: Landman</p> <p>Date: June 14, 2000</p>			
	<h4>¹⁸ SURVEYOR CERTIFICATION</h4> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>REFER TO ORIGINAL PLAT</p>			
	Certificate Number			

OHIO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

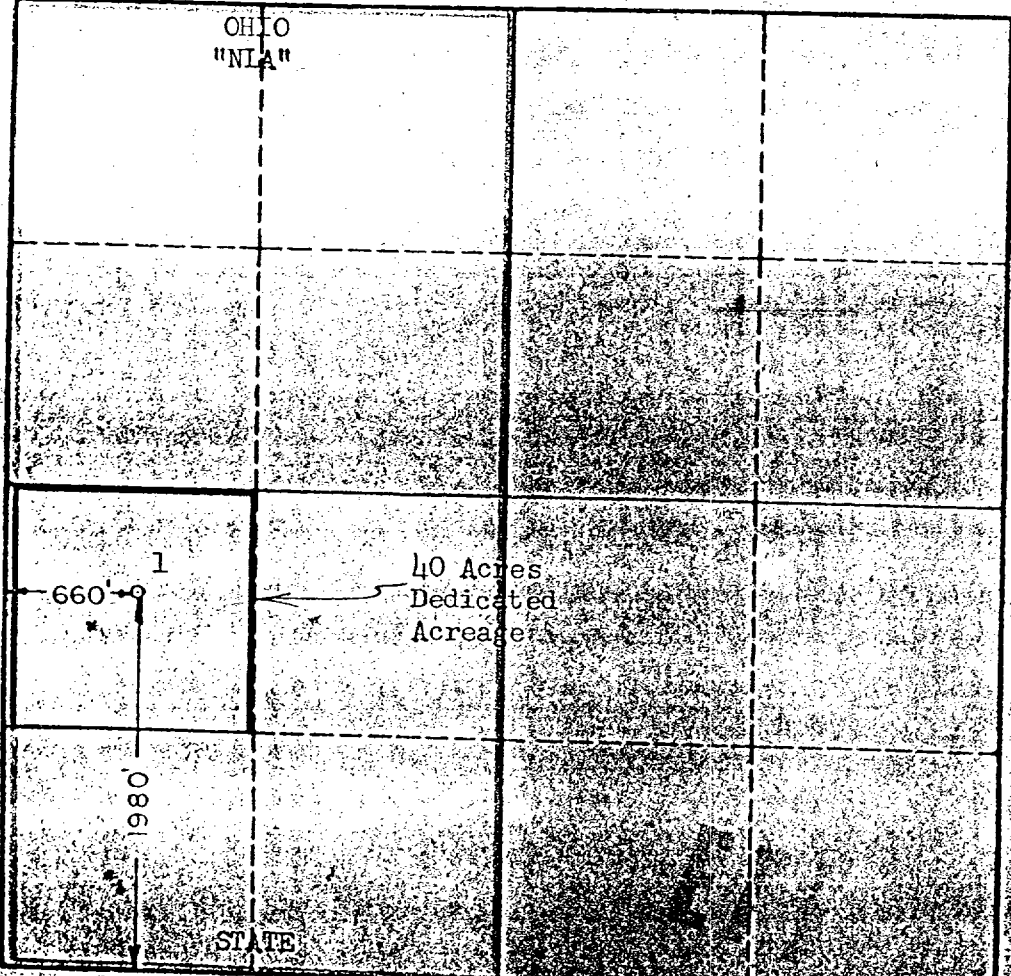
SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

Operator Ohio Oil Co.				State NLA		Well No. 2-06	
Unit Letter L	Section 3	Township 10 South	Range 34 East	County Lee			
Actual Footage Location of Well: 660 feet from the West line and 1980 feet from the South line							
Ground Level Elev.		Producing Formation Devonian Prospect		Pool Undesignated		Dedicated Acreage: 40 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☐ NO ☒ ("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 1933 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communization agreement or otherwise? YES ☒ NO ☐ If answer is "yes," Type of Consolidation **Operating Agreement**
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description
ILLEGIBLE	

SECTION B



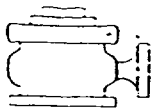
CERTIFICATION

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

Name	T. O. Webb
Position	Area Petroleum Engineer
Company	The Ohio Oil Company
Date	5-15-61

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.

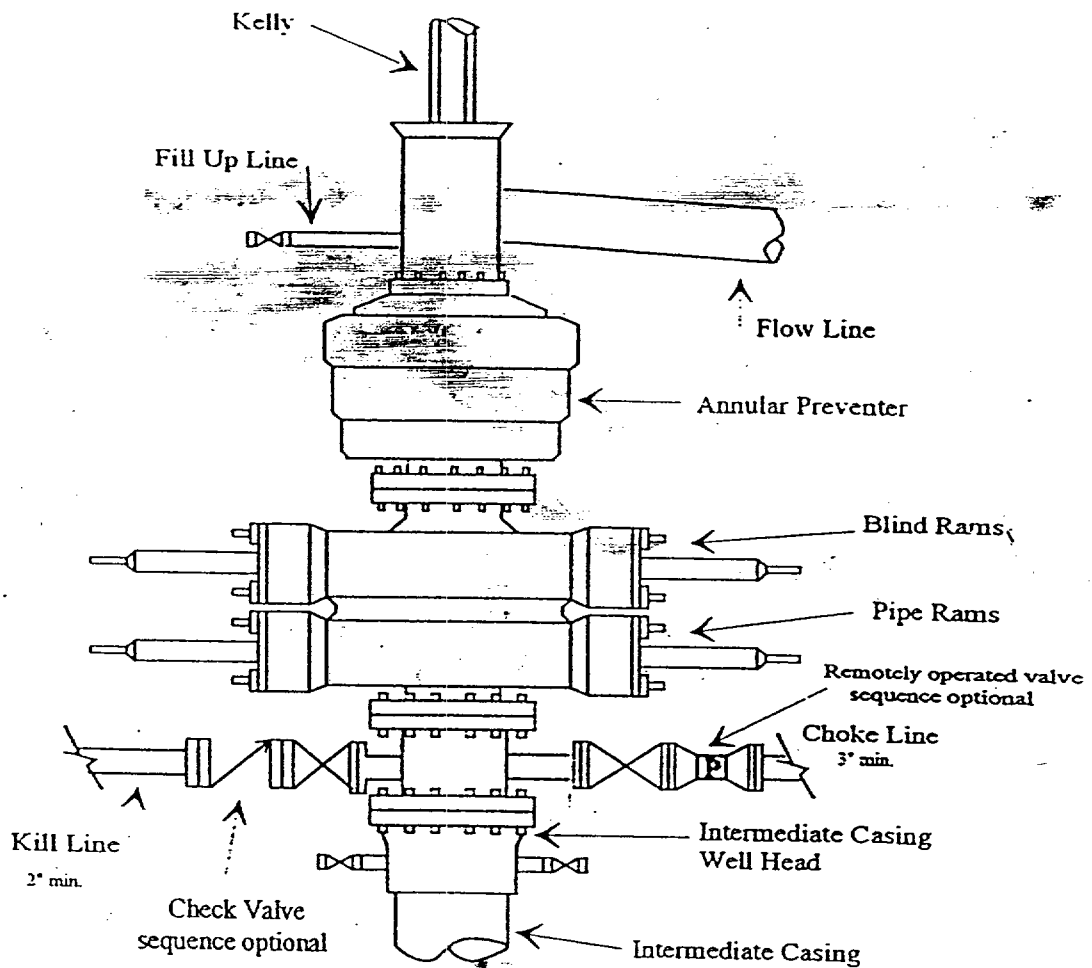
Date Surveyed	5-10-61
Registered Professional Engineer and/or Land Surveyor	JOHN W. WEST
Certificate No.	N.M.S. No. 678



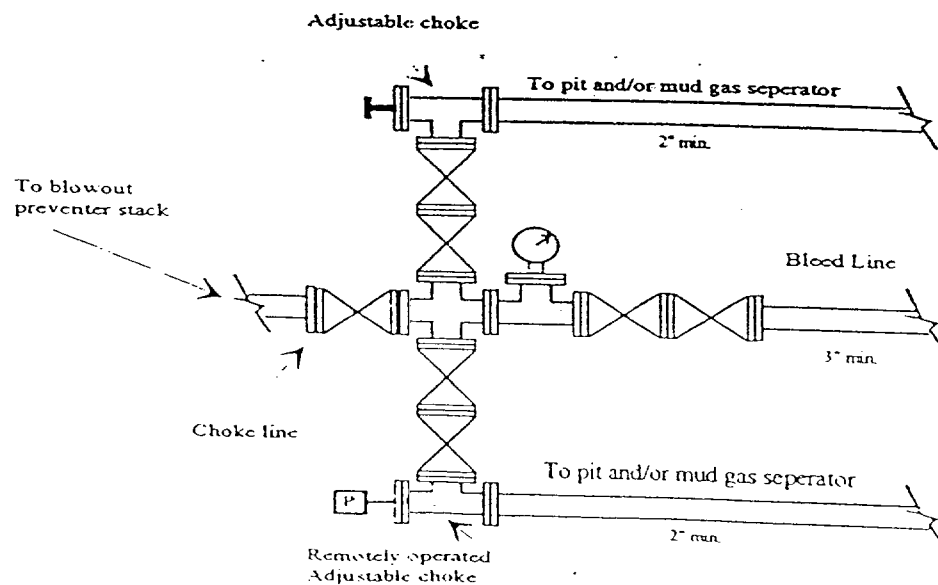
Yates Petroleum Corporation

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



Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.

30-025-01813

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VA-1430

7. Lease Name or Unit Agreement Name:

Vada AVJ State

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 S. 4th Street Artesia, NM 88210

7. Well No.

#1

8. Pool name or Wildcat

Wildcat Morrow

4. Well Location

Unit Letter **L** : **1980** feet from the **South** line and **660** feet from the **West** line

Section **3** Township **10S** Range **34E** NMPM **Lea** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

4221' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Perforate, acidize and frac <input checked="" type="checkbox"/>	

Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

12/2/00 - MI and RU pulling unit.

12/4/00 - Run GR/CBL from PBTD 12,078' to 200' above TOC at 10,670'.

12/5/00 - Perforate Morrow 11,973 - 11,982', 54 holes, .42" holes and 12,046 - 12,052', 36 holes, .42" holes.

12/6/00 - Straddle perms 12,046-12,052'. Acidized with 600 gals 7.5% Morrow acid with 1000 SCF N2 per bbl.

12/7-12/8/00 - Straddle perms 11,973-11,982'. Acidized with 900 gals 7.5% Morrow acid with 1000 SCF N2 per bbl.

12/9 - 12/12/00 - Flowed back and swabbed.

12/13/00 - Rig down pulling unit.

1/3/01 - MI and RU pulling unit.

1/4/01 - Set CIBP at 12,020'.

1/5/01 - Frac Morrow perms 11,973 - 11,982' with 45,700 gals 70Q foam with 50,000# 20/40 interprop.

1/6/01 - Set packer at 11,940'.

1/7-1/9/01 - Flow back, clean up and swab.

1/10/01 - Rig down and move out unit. Turn well over to production department.

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

SIGNATURE *Susan Herpin* TITLE **Engineering Technician** DATE **September 11, 2001**

Type or print name **Susan Herpin**

Telephone No. **505-748-1471**

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

District I
625 N. French Dr., Hobbs, NM 88240
District II
111 South First, Artesia, NM 88210
District III
000 Rio Brazos Rd., Aztec, NM 87410
District IV
220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.
30-025-01813

5. Indicate Type of Lease
STATE ☒ FEE ☐

State Oil & Gas Lease No.
VA-1430

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

a. Type of Well:
OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____
b. Type of Completion:
NEW WORK PLUG DIFF.
WELL ☐ OVER ☐ DEEPEN ☐ BACK ☐ RESVR. ☒ OTHER Re-enter

7. Lease Name or Unit Agreement Name

Vada AVJ State

1. Name of Operator

Yates Petroleum Corporation

8. Well No.
#1

3. Address of Operator

105 South 4th St., Artesia, NM 88210

9. Pool name or Wildcat

Undesignated Morrow

4. Well Location

Unit Letter L : 1980 Feet From The South Line and 660 Feet From The West Line

Section 3 Township 10S Range 34E NMPM Lea County

10. Date Spudded 9/1/00	11. Date T.D. Reached 11/22/00	12. Date Compl. (Ready to Prod.) 1/10/01	13. Elevations (DF& RKB, RT, GR, etc.) 4221' GR	14. Elev. Casinghead
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15. Total Depth 12,150'	16. Plug Back T.D. 12,020'	17. If Multiple Compl. How Many Zones?	18. Intervals Drilled By 6-12,150'	Rotary Tools	Cable Tools
----------------------------	-------------------------------	--	---------------------------------------	--------------	-------------

19. Producing Interval(s), of this completion - Top, Bottom, Name

11,973 - 11,982' Morrow

20. Was Directional Survey Made
Yes

21. Type Electric and Other Logs Run

CNL/LDC, Laterolog

22. Was Well Cored
No

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

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8"	48#	362'	17-1/2"	In Place	
9-5/8"	36-40#	4355'	12-1/4"	In Place	
4-1/2"	11.6#	12,150'	5-7/8"	120 sxs	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
7#	4168'	13,016'	In Place	

25. TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2-3/8"	11,940'	11,947'

26. Perforation record (interval, size, and number)

11,973 - 11,982'	54 holes	.42" holes
12,046 - 12,052'	36 holes	.42" holes

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
See attached	

28. PRODUCTION

Date First Production 2/15/01		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing			Well Status (Prod. or Shut-in) Producing		
Date of Test 2/19/01	Hours Tested 24	Choke Size 15/64"	Prod'n For Test Period	Oil - Bbl 3	Gas - MCF 575	Water - Bbl. 0	Gas - Oil Ratio
Flow Tubing Press. 850#	Casing Pressure Packer	Calculated 24-Hour Rate	Oil - Bbl. 3	Gas - MCF 575	Water - Bbl. 0	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

David Stevens

30. List Attachments

Deviation Survey, Directional Survey & Logs

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Susan Herpin Printed Name Susan Herpin Title Engineering Tech. Date September 11, 2001

Yates Petroleum Corporation
Wada AVJ State #1
API 30-025-01813
Section 3 T10S R34E
Lea County, NM

27. Acid, shot, fracture, cement, squeeze, etc.

Depth interval	Amount and kind material used
12,046 – 12,052'	600 gals 7.5% Morrow acid + 1000 SCF N2 per bbl.
11,973 – 11,982'	900 gals 7.5% Morrow acid + 1000 SCF N2 per bbl.
11,973 – 11,982'	Frac with 45,700 gals 70Q foam + 50,000# 20/40 Interprop

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
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1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised March 25, 1999

WELL API NO.

30-025-01813

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VA-1430

7. Lease Name or Unit Agreement Name:

Vada AVJ State

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

Oil Well ☐ Gas Well ☒ Other ☐

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 S. 4th Street Artesia, NM 88210

7. Well No.

#1

8. Pool name or Wildcat

Wildcat Devonian

4. Well Location

Unit Letter **L** : **1980** feet from the **South** line and **660** feet from the **West** line

Section **3** Township **10S** Range **34E** NMPM **Lea** County

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

4221' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

MULTIPLE COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Re-enter ☒

Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

8/30/00 - Moved in and rigged up completion rig and reverse unit equipment.

9/1/00 - Spud at 9:30 AM. Drill surface plug.

9/2 - 9/6/00 - Drill through cement plugs, circ and clean hole to top of liner at 4176'. Recover wood, various metals and formation material.

9/7/ - 9/14/00 - Tag CIBP at 8722'. Mill out and recover. Drill cement plugs and fill to 11,458'. Losing circulation. 700 bbls pumped, no returns.

9/15 - 10/3/00 - MI air unit. Tag fish and 2-7/8" tbg left in hole by previous operator at 11,594'. Drilling and milling to 11,619'. Recovering rotten 2-7/8" tbg. Making no hole.

10/4/00 - Set CIBP at 11,256'.

10/5/00 - Released all equipment.

See Attached

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

SIGNATURE  TITLE Engineering Technician DATE September 11, 2001

Type or print name **Susan Herpin**

Telephone No. **505-748-1471**

(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

Yates Petroleum Corporation
Vada AVJ State #1
API 30-025-01813
Section 3 T10S R34E
Lea County, NM

Describe proposed or completed operations (continued):

10/26/00 – RU rotary wireline and set CIBP at 11,235'.

11/1/00 – MI and RU rotary tools.

11/6/00 – TIH with whipstock.

11/7/00 – Mill pilot hole in casing 11,210 – 11,212'.

11/8/00 – Mill window in casing.

11/9 – 11/21/00 – Drilling new 5-7/8" hole.

11/22/00 – Reached TD of 12,150' at 7:15 AM. RU loggers and log. Logger's TD 12,160'.

11/23/00 – Ran 291 jts (12,162.81') of 4-1/2" casing set at 12,150' as follows:

22 jts. 4-1/2" 11.6# S/P SB (899.88')

269 jts. 4-1/2" 11.6# S/P Varn (11,262.93')

Float shoe set at 12,148.50'. Float collar set at 12,106.37'. Bottom marker set at 11,250.12'.

Cemented with 120 sxs Super H, 1# salt, .5% Halad 344, .4% CFR-3, .2% HR-7 (yld 1.67, wt 13.0)

11/24/00 – PD at 7:15 AM. Bumped plug to 1800 psi for 2 mins. Held OK.

11/24/00 – Rig released at 12:15 AM.

1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised July 28, 2000

Submit to Appropriate District Office
5 Copies



I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia NM 88210		² OGRID Number 025575
		³ Reason for Filing Code/ Effective Date NW
⁴ 30-025-01813	Undesignated Morrow	⁶ Pool Code
⁷ Property Code 26072	⁸ Property Name Vada AVJ State	⁹ Well Number #1

¹⁰ Surface Location									
UL or lot no. L	Section 3	Township 10S	Range 34E	Lot Idn	Feet from the 1980	North/South Line South	Feet from the 660	East/West line West	County Lea

¹¹ Bottom Hole Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Use Code S	¹³ Producing Method Code F	¹⁴ Gas Connection Date 02/15/01		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date	

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name & Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
138648	Amoco P/L Int Trucking 502 North West Ave Levelland, TX 79336		O	Unit L - Section 3-T10S-R34E
147831	Agave Energy Company 105 South 4th Street Artesia, NM 88210		G	Unit L - Section 3-T10S-R34E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description Unit L - Section 3-T10S-R34E
-------------------	---

V. Well Completion Data

²⁵ Spud Date 09/01/00	²⁶ Ready Date 01/10/01	²⁷ TD 12,150'	²⁸ PBDT 12,020'	²⁹ Perforations 11,973-11,982'	³⁰ DHC, MC
³¹ Hole Size 17-1/2"	³² Casing & Tubing Size 13-3/8"	³³ Depth Set 362'	³⁴ Sacks Cement In place		
12-1/4"	9-5/8"	4355'	In place		
5-7/8"	4-1/2"	12,150'	120 sxs		
	2-3/8"	11,940'			

VI. Well Test Data

³⁵ Date New Oil 01/10/01	³⁶ Gas Delivery Date 02/15/01	³⁷ Test Date 02/19/01	³⁸ Test Length 24 hrs.	³⁹ Tbg. Pressure 850#	⁴⁰ Csg. Pressure Packer
⁴¹ Choke Size 15/64"	⁴² Oil 3	⁴³ Water 0	⁴⁴ Gas 575	⁴⁵ AOF	⁴⁶ Test Method Flowing
⁴⁷ I hereby certify that the rules 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. Signature: <i>Susan Herpin</i>			OIL CONSERVATION DIVISION		
Printed name: Susan Herpin			Approved by:		
Title: Engineering Technician			Title:		
Date: September 11, 2001			Approval Date:		
Phone: 505-748-1471					

DISTRICT I
1825 W. French Dr., Hobbs, NM 88240

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

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

DISTRICT II
811 Santa First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-01813	Pool Code	Pool Name Undesignate Morrow
Property Code 26072	Property Name Vada "AVJ" State Com	Well Number 1
OGRIID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4221'

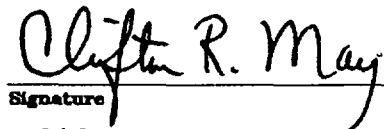
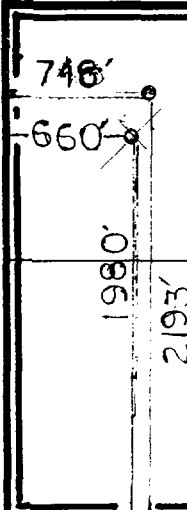
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	3	10S	34E		1980	South	660	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
L	3	10S	34E		2193	South	748	West	Lea
Dedicated Acres 320	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**

				OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Clifton R. May Printed Name Regulatory Agent Title January 17, 2002 Date
	VA-1430	VA-2132		SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Refer to Original Plat Date Surveyed Signature & Seal of Professional Surveyor Certificate No. Herschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY

[illegible]



Job Number:
Company: Yates Petroleum Corp.
Lease/Well: Vada "AVJ" St. #1
Location: Lea, County
Rig Name: Patterson #56
RKB:
G.L. or M.S.L.:

State/Country: New Mexico
Declination:
Grid:
File name: C:\WINSERVE\CLIENTS\CLIENT\YATES\WADA8T1.
Date/Time: 08-Jan-02 / 14:23
Curve Name:

WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 14.98
Vertical Section Referenced to Wellhead
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	Direction Deg	Dogleg Severity Deg/100
Gyro tie in (Gyro Data)									
11100.00	1.58	17.28	11098.30	140.44	68.17	153.29	156.11	25.89	.00
11155.00	1.67	12.94	11153.28	141.95	68.57	154.85	157.64	25.79	.28
11160.00	1.60	15.42	11158.28	142.08	68.61	154.99	157.78	25.78	1.99
Last gyro survey									
11167.00	1.64	14.98	11165.27	142.27	68.66	155.19	157.98	25.76	.60
Totco surveys w/assumed Azi. from gyro survey									
11305.00	7.00	14.98	11302.83	152.31	71.35	165.58	168.20	25.10	3.88
11340.00	7.75	14.98	11337.54	156.65	72.51	170.07	172.62	24.84	2.14
11368.00	7.75	14.98	11365.29	160.30	73.48	173.85	176.34	24.63	.00
11403.00	7.00	14.98	11400.00	164.64	74.65	178.34	180.77	24.39	2.14
11430.00	6.75	14.98	11426.80	167.76	75.48	181.57	183.96	24.22	.93
11463.00	6.50	14.98	11459.58	171.44	76.47	185.38	187.72	24.04	.76
11495.00	6.00	14.98	11491.39	174.81	77.37	188.86	191.16	23.87	1.56
11578.00	5.25	14.98	11573.99	182.66	79.47	197.00	199.20	23.51	.90
11735.00	5.00	14.98	11730.36	196.21	83.09	211.02	213.08	22.95	.16
11813.00	4.75	14.98	11808.08	202.62	84.81	217.65	219.65	22.71	.32
12127.00	2.75	14.98	12121.39	222.45	90.12	238.19	240.01	22.05	.64
Straight line projection to bit @TD									
12162.00	2.75	14.98	12156.35	224.08	90.55	239.87	241.68	22.00	.00

$$\textcircled{C} 11210' \rightarrow \begin{array}{r} 1980 \\ 145 \\ \hline 2125' \text{ FSL} \end{array} \quad \begin{array}{r} 660 \\ 69 \\ \hline 729' \text{ FWL} \end{array}$$

$$\textcircled{C} 11473-11982 \rightarrow \begin{array}{r} 1980 \\ 203 \\ \hline 2183' \text{ FSL} \end{array} \quad \begin{array}{r} 660 \\ 85 \\ \hline 745' \text{ FWL} \end{array}$$

$$\textcircled{C} 12160 \rightarrow \begin{array}{r} 1980 \\ 224 \\ \hline 2204' \text{ FSL} \end{array} \quad \begin{array}{r} 660 \\ 91 \\ \hline 751' \end{array}$$

$$\begin{array}{r} 1980 \\ 224 \\ \hline 2204 \end{array}$$

$$\begin{array}{r} 1980 \\ 213 \\ \hline 2193 \end{array}$$

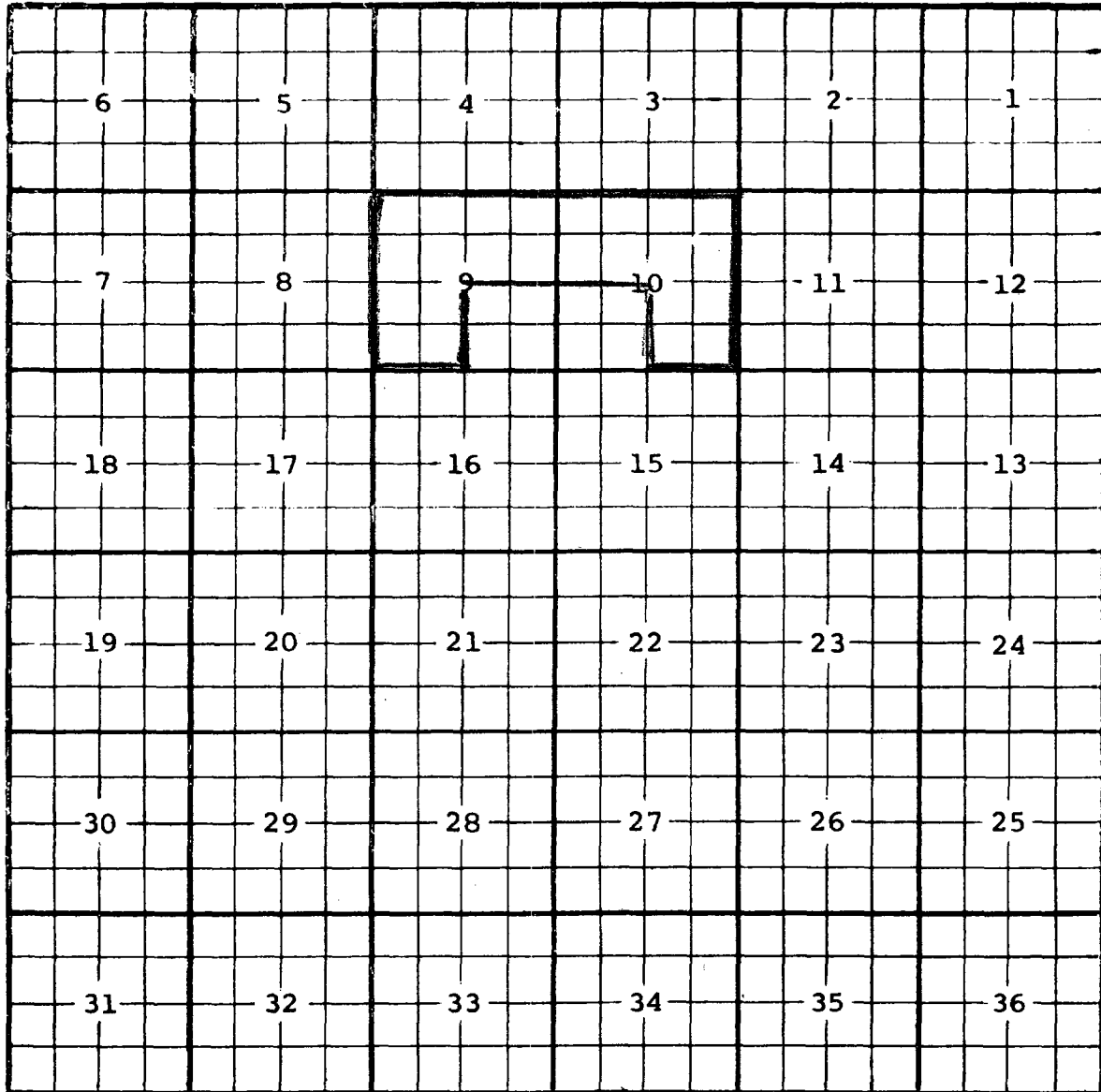
COUNTY *Lea*

POOL *X-4 Ranch - Atoka Gas*

TOWNSHIP *10 South*

RANGE *34 East*

NMPM



Below the grid, there are ten horizontal lines for additional information or notes.

County Lee

Pool X-4 Ranch-Morrow Gas

TOWNSHIP 10 South

Range 34 East

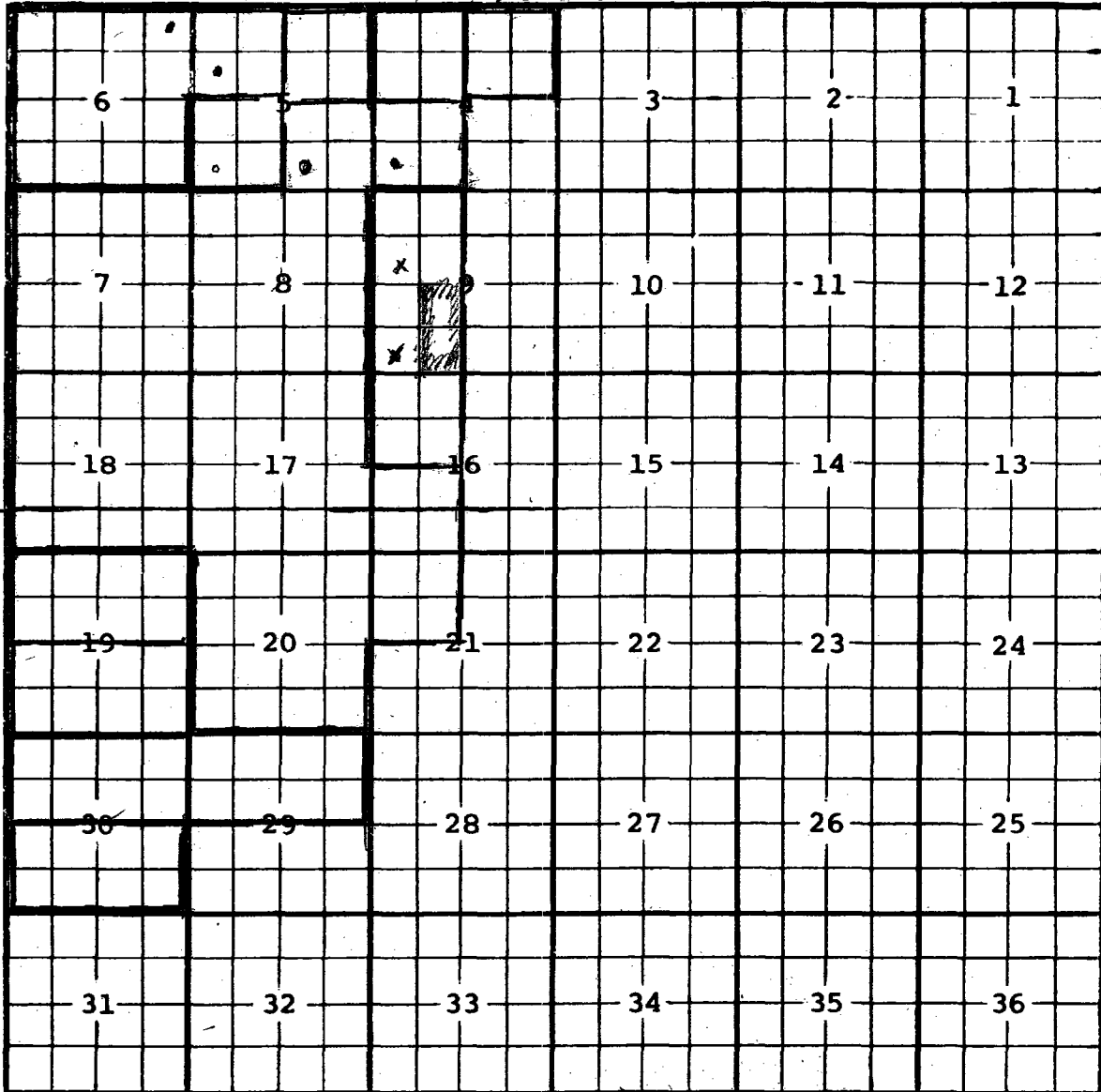
NMPM

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: 1/2 Sec. 2 (A-11728, 2-20-02)

COUNTY LeaPOOL Vada-PennsylvanianTOWNSHIP 10 SouthRANGE 34 East

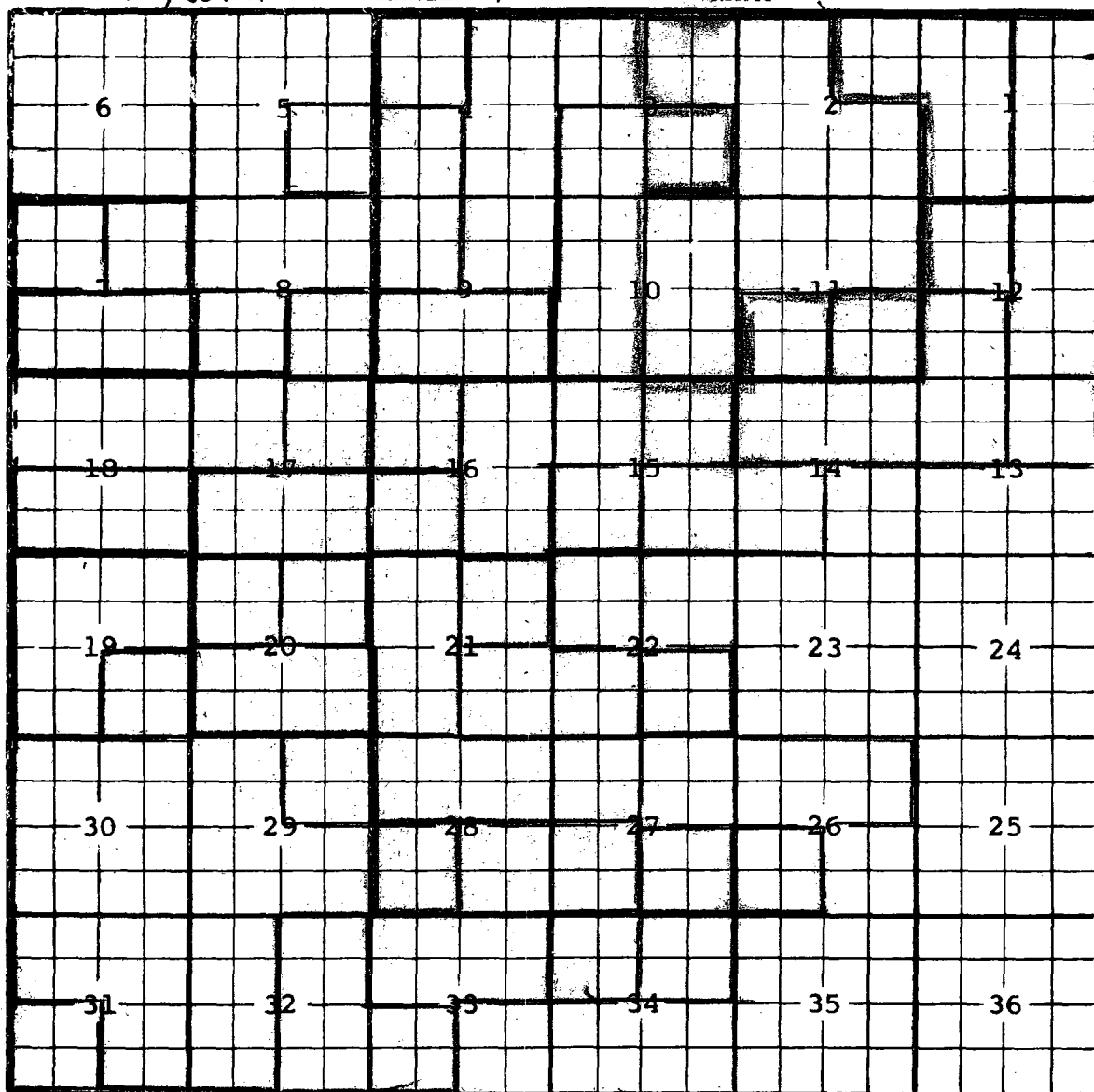
NMFM



Ext: $\frac{NW}{4}$ Sec. 5; All Sec. 6 (R-3411, 6-1-68) - $\frac{SW}{4}$ Sec. 5 (R-3455, 8-1-68)
 - $\frac{SW}{4}$ Sec. 4; $\frac{SE}{4}$ Sec. 5; All Secs. 7 & 8; $\frac{SW}{4}$ Sec. 16; All Secs. 17, 18, & 20; $\frac{NW}{4}$ Sec. 21 (R-3472)
 - $\frac{N}{2}$ Sec. 19 (R-3505, 10-1-68) - $\frac{N}{2}$ Sec. 29; $\frac{N}{2}$ Sec. 30 (R-3562, 12-1-68) - $\frac{W}{2}$ Sec. 9;
 - $\frac{NW}{4}$ Sec. 16; $\frac{S}{2}$ Sec. 19; $\frac{S}{2}$ Sec. 30 (R-3662, 2-1-69) - $\frac{NE}{4}$ Sec. 5 (R-3731, 5-1-69)
 - $\frac{NW}{4}$ Sec. 4 (R-3780, 7-1-69) - $\frac{NE}{4}$ Sec. 4 (R-3818, 9-1-69)

COUNTY LeaPOOL Vada - PennsylvanianTOWNSHIP 9 SouthRANGE 34 East

NMPM



Description: $\frac{NW}{4}$ Sec. 20 (R-3166, 1-1-67) Extensions: $\frac{NE}{4}$ Sec. 20 (R-3205, 4-1-67) - $\frac{S}{2}$ Sec. 17 (R-3262, 7-1-67)
 $\frac{SW}{4}$ Sec. 16; $\frac{NE}{4}$ Sec. 17 (R-3319, 10-1-67) - $\frac{NW}{4}$ Sec. 16; $\frac{W}{2}$ Sec. 21 (R-3342, 12-1-67) - $\frac{S}{2}$ Sec. 20; $\frac{NE}{4}$ Sec. 21; $\frac{NW}{4}$ Sec. 27;
 $\frac{N}{2}$ Sec. 28 (R-3367, 1-1-78) - $\frac{NW}{4}$ Sec. 15; $\frac{E}{2}$ Sec. 16; $\frac{SW}{4}$ Sec. 28; $\frac{NE}{4}$ Sec. 29 (R-3389, 4-1-68) - $\frac{S}{2}$ Sec. 9; $\frac{NE}{4}$ Sec. 15;
 $\frac{NW}{4}$ $\frac{S}{2}$ Sec. 29; A11 Sec. 30; $\frac{N}{2}$ $\frac{SE}{4}$ Sec. 31; $\frac{W}{2}$ Sec. 32 (R-3411, 6-1-68) - $\frac{SW}{4}$ Sec. 12; $\frac{NW}{4}$ Sec. 13; $\frac{NE}{4}$ Sec. 14; $\frac{SE}{4}$ Sec. 21;
 $\frac{SW}{4}$ Sec. 22; $\frac{E}{2}$ Sec. 32; $\frac{SW}{4}$ Sec. 33 (R-3455, 8-1-68) - $\frac{SE}{4}$ Sec. 8 (R-3472, 9-1-68) - $\frac{SW}{4}$ Sec. 8; $\frac{SW}{4}$ Sec. 15; $\frac{SW}{4}$ Sec. 27;
 $\frac{SE}{4}$ Sec. 28 (R-3505, 10-1-68) - $\frac{SE}{4}$ Sec. 19; $\frac{N}{2}$ Sec. 33 (R-3562, 12-1-68) - $\frac{E}{2}$ Sec. 12; $\frac{NW}{4}$ Sec. 22 (R-3662, 2-1-69)
 $\frac{SE}{4}$ Sec. 11; $\frac{SW}{4}$ Sec. 31; $\frac{NW}{4}$ Sec. 34 (R-3731, 5-1-69) - $\frac{SW}{4}$ Sec. 14; $\frac{SE}{4}$ Sec. 15 (R-3780, 1-1-69) - $\frac{SE}{4}$ Sec. 27 (R-3889, 1-69)
 $\frac{SW}{4}$ Sec. 4; $\frac{NW}{4}$ Sec. 9; $\frac{SW}{4}$ Sec. 11 (R-3853, 11-1-69) - $\frac{SW}{4}$ Sec. 26 (R-3895, 1-1-70) - $\frac{E}{2}$ Sec. 1; $\frac{SE}{4}$ Sec. 22 (R-3911, 1-1-70)
 $\frac{NE}{4}$ Sec. 34 (R-3932, 4-1-70) - $\frac{S}{2}$ Sec. 18 (R-3948, 5-1-70) - $\frac{NE}{4}$ Sec. 13 (R-3979, 7-1-70) - $\frac{N}{2}$ $\frac{SW}{4}$ Sec. 19 (R-4032, 10-1-70)
 $\frac{NW}{4}$ Sec. 12 (R-4086, 2-1-71) - $\frac{SW}{4}$ Sec. 3; $\frac{SE}{4}$ Sec. 5; $\frac{W}{2}$ Sec. 10 (R-4194, 1-1-71) - $\frac{W}{2}$ Sec. 1; $\frac{NE}{4}$ Sec. 2; $\frac{NW}{4}$ Sec. 3; $\frac{E}{2}$ Sec. 4;
 $\frac{NE}{4}$ Sec. 9 (R-4146, 6-1-71) - $\frac{SE}{4}$ Sec. 3; $\frac{NW}{4}$ Sec. 4 (R-4678, 1-1-71) - $\frac{S}{2}$ $\frac{NW}{4}$ Sec. 2; $\frac{NE}{4}$ Sec. 3; $\frac{S}{2}$ Sec. 7;
 $\frac{E}{2}$ Sec. 10; $\frac{N}{2}$ Sec. 11 (R-4194, 10-1-71) - $\frac{NW}{4}$ Sec. 17; $\frac{N}{2}$ Sec. 18 (R-4242, 2-1-72) - $\frac{NE}{4}$ Sec. 7 (R-4279, 4-1-72)
 $\frac{NW}{4}$ Sec. 7 (R-4423, 11-1-72) Ext: $\frac{N}{2}$ Sec. 26, $\frac{NE}{4}$ Sec. 27 (R-5215, 6-1-76)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

03/08/02 14:11:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 10S Rng : 34E Section Type : NORMAL

4 39.83 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	3 39.81 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	2 39.79 TWR VA2132 0000 YATES PETROLEUM C 03/01/05	1 39.76 TWR VA2132 0000 YATES PETROLEUM 03/01/0
E 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	F 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	G 40.00 TWR VA2132 0000 YATES PETROLEUM C 03/01/05	H 40.00 TWR VA2132 0000 YATES PETROLEUM 03/01/0

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

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

03/08/02 14:11:
OGOMES -TP
PAGE NO:

Sec : 03 Twp : 10S Rng : 34E Section Type : NORMAL

L 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00 A	K 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	J 40.00 TWR VA2132 0000 YATES PETROLEUM C 03/01/05	I 40.00 TWR VA2132 0000 YATES PETROLEUM 03/01/0
M 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	N 40.00 TWR VA1430 0000 YATES PETROLEUM C 12/01/00	O 40.00 TWR VA2132 0000 YATES PETROLEUM C 03/01/05	P 40.00 TWR VA2132 0000 YATES PETROLEUM 03/01/0

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

CMD : ONGARD 03/08/02 14:11:
OG6IWCM INQUIRE WELL COMPLETIONS OGOMES -TP

API Well No : 30 25 1813 Eff Date : 05-01-1995 WC Status : P
Pool Idn : 96101 SWD;DEVONIAN
OGRID Idn : 17213 PENROC OIL CORP
Prop Idn : 8954 VADA SWD L

Well No : 003
GL Elevation: 4221

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/
	---	---	-----	-----	-----	-----	-----
B.H. Locn : L	3	10S	34E	FTG 1980 F S	FTG 660 F W	A	
Lot Identifier:							
Dedicated Acre:							
Lease Type : S							
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