

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

1000 Rio Brazos Road, Aztec, NM 87410
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-005-63318
⁴ Property Code 26933	⁵ Property Name Keno AWK State	⁶ Well No. 2
⁹ Proposed Pool 1 Undes. Pecos Slope Abo		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	4	10S	26E		1980	South	1980	East	Chaves

⁸ Proposed Bottom Hole Location If Different From Surface

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

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3798'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Basement	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater >100'		Distance from nearest fresh water well >200'		Distance from nearest surface water >1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12" mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
		IN PLACE			

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

Yates Petroleum Corporation plans to workover and possibly plugback and recomplete this well as follows: Release packer at 5400'. Perforate Cisco 5636'-5640'(10), 5646'-5653'(16), 5676'-5690'(30) and 5732'-5740'(18) for a total of 74 holes. Stimulate as needed. If Cisco is not productive, set the 1st CIBP at 5620' with 35' cement on top. Set the 2nd CIBP at 5410' with 35' cement on top. Perforate Wolfcamp 5070'-5080'(40). Stimulate as needed. If the Wolfcamp is not productive, set a 5-1/2" CIBP at 5050' with 35' cement on top. Perforate Abo 4412'-4422'(11), 4431'-4434'(4), 4510'-4514'(5), 4528'-4532'(5), 4540'-4544'(5), 4578'-4582'(5), 4607'-4611'(5), 4684'-4688'(5) and 4719'-4728'(10) for a total of 55 holes. Stimulate as needed.

RECEIVED

MAR 10 2005

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: *Tina Huerta*

Printed name: Tina Huerta
Title: Regulatory Compliance Supervisor

E-mail Address: tina@ypcnm.com

Date: March 8, 2005

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM
DISTRICT II SUPERVISOR

Title:

Approval Date: MAR 11 2005

Expiration Date: MAR 11 2006

Conditions of Approval Attached ☐

District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63318	² Pool Code 82730	³ Pool Name Pecos Slope Abo
⁴ Property Code 26933	⁵ Property Name Keno AWK State	⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3798'GR

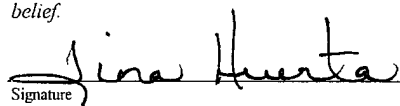
¹⁰ Surface Location

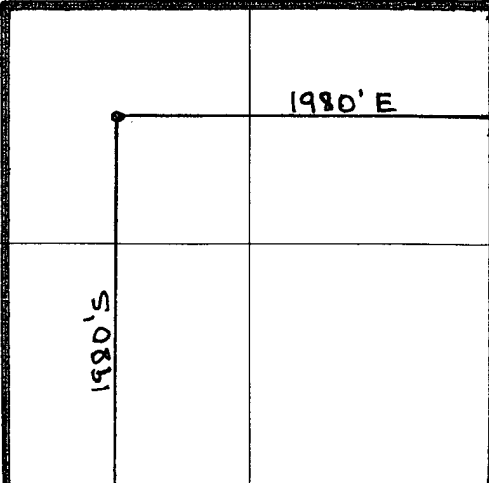
UL or lot no. J	Section 4	Township 10S	Range 26E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/West line East	County Chaves
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¹¹ Bottom Hole Location If Different From Surface

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 160	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Tina Huerta Printed Name Regulatory Compliance Supervisor Title and E-mail Address March 7, 2005 Date
				¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number



French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63318	² Pool Code 76730	³ Pool Name Foor Ranch Pre-Permian
⁴ Property Code 26933	⁵ Property Name Keno AWK State	⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3798'GR

¹⁰ Surface Location

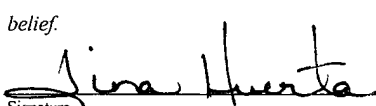
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UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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1980'E

1980'S

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63318		² Pool Code 76750		³ Pool Name Foor Ranch Wolfcamp	
⁴ Property Code 26933		⁵ Property Name Keno AWK State			⁶ Well Number 2
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3798'GR

¹⁰ Surface Location

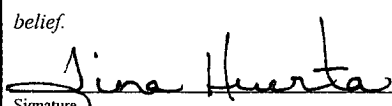
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1980'S

1980'E

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

March 8, 2005

Mr. Bryan Arrant
Oil Conservation Division, District II Office
1301 W. Grand Ave.
Artesia, NM 88210

Re: Keno AWK State #2
Section 4-T10S-R26E
Chaves County, New Mexico
H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Cisco formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

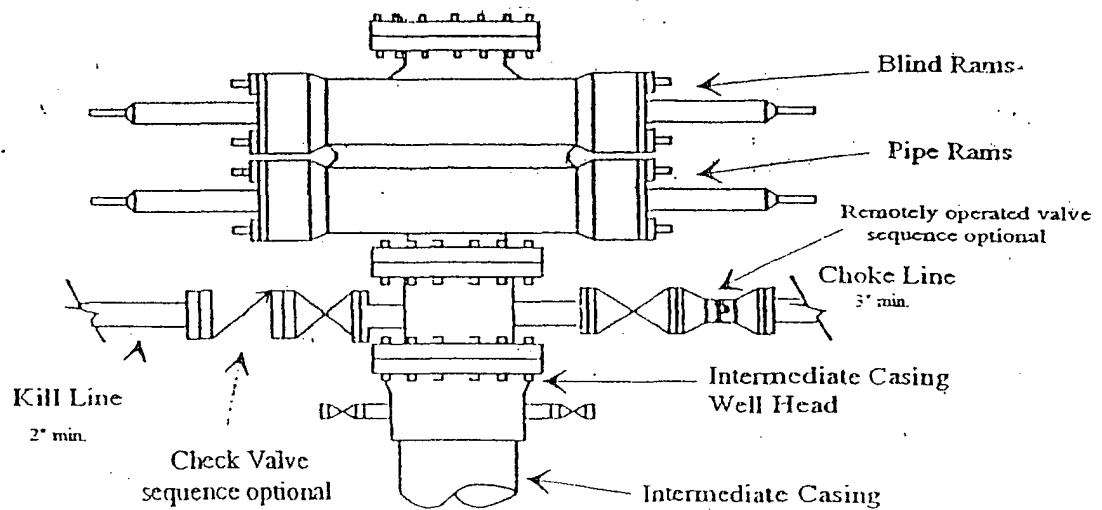
YATES PETROLEUM CORPORATION

A handwritten signature in cursive script that reads 'Tina Huerta'.

Tina Huerta
Regulatory Compliance Supervisor

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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

