

District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

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 Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30 - 005-64148
³ Property Code 26798	⁵ Property Name Wager AWG State	⁶ Well No. 1
⁹ Proposed Pool 1 FOOR RANCH; PRE-PERMIAN (76730)		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
G	34	9S	26E		1980'	North	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 N	¹² Well Type Code Gas	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3808'
¹⁶ Multiple N	¹⁷ Proposed Depth 6600'	¹⁸ Formation Basement	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
12.25"	8.625"	24#	1100'	750	0
7.875	5.5	15.5#	6600'	400	500

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

²³

Yates Petroleum Corporation proposes to drill/test the Basement and intermediate formations Approximately 900' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production

MUD PROGRAM 0-1100' FW Gel/Paper/LCM; 1100'-4495' Brine; 4495'-6600' Salt Gel/Starch

BOPE PROGRAM. A 2000# BOPE will be installed on the 8 625" casing and tested daily

H2S is not anticipated.

C-144 attached.

(Previously Approved APD # 30-005-63295)

RECEIVED

JUL 19 2011

NMOCD ARTESIA

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

Signature:

Monti Sanders

Printed name
Monti Sanders

Title
Land Regulatory Technician

E-mail Address
montis@yatespetroleum.com

Date.
7/18/11

Phone.
575-748-4244

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title

Approval Date:

07/27/11

Expiration Date

07/27/13

Conditions of Approval Attached ☐

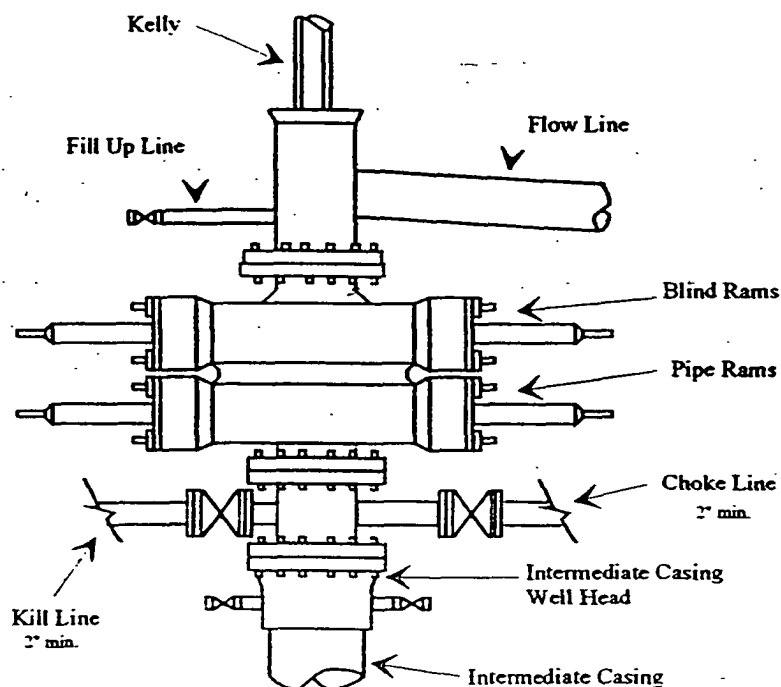
102



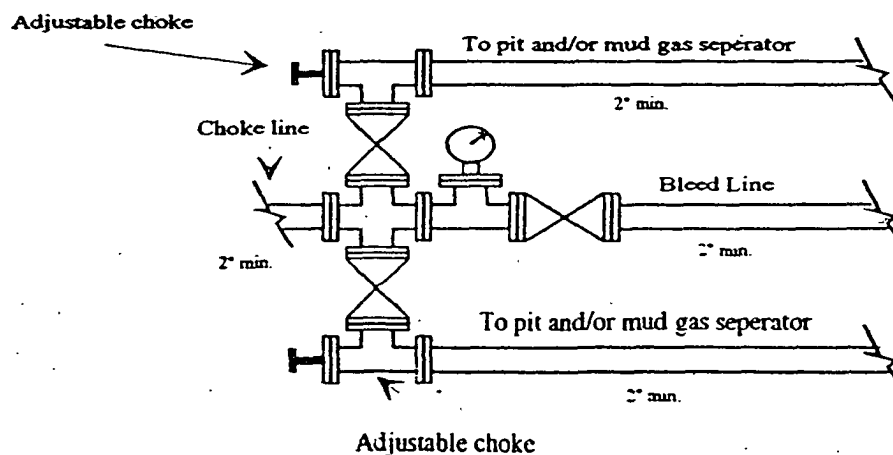
Yates Petroleum Corporation

BOP-2

Typical 2,000 psi Pressure System Schematic Double Ram Preventer Stack



Typical 2,000 psi choke manifold assembly with at least these minimum features



DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

26798 Operator YATES PETROLEUM CORP OGRID # 25575
 Well Name & # WAGNER AUG STATE #1 Surface Type (F)(S)(P)
 Location: UL 6, Sect 34, Township 9 s, RNG 26 e, Sub-surface Type (F)(S)(P)

A. Date C101 rec'd / / C101 reviewed / /

B. 1. Check mark, Information is OK on Forms:

OGRID X, BONDING X, PROP CODE X, WELL # 2, SIGNATURE

2. Inactive Well list as of: 7/27/11 # wells 2374 # Inactive wells 3

a. District Grant APD but see number of inactive wells:

No letter required X; Sent Letter to Operator , to Santa Fe

3. Additional Bonding as of: 7/27/11

a. District Denial because operator needs addition bonding:

No Letter required X; Sent Letter to Operator , To Santa Fe

b. District Denial because of Inactive well list and Financial Assurance:

No Letter required X; Sent Letter to Operator , To Santa Fe

C. C102 YES , NO Signature

1. Pool FOOR RANCH PRE PERMAN (GAS), Code 78730

a. Dedicated acreage 720, What Units ACRE FEET

b. SUR. Location Standard X; Non-Standard Location

c. Well shares acres: Yes X No , # of wells plus this well #

2. 2nd. Operator in same acreage, Yes , No

Agreement Letter , Disagreement letter

3. Intent to Directional Drill Yes , No X

a. Dedicated acreage , What Units

b. Bottomhole Location Standard , Non-Standard Bottomhole

4. Downhole Commingle: Yes , No X

a. Pool #2 , Code , Acres

Pool #3 , Code , Acres

Pool #4 , Code , Acres

5. POTASH Area Yes , No X

D. Blowout Preventer Yes X, No

E. H2S Yes , No X

F. C144 Pit Registration Yes , No , need

G. Does APD require Santa Fe Approval:

1. Non-Standard Location: Yes , No X, NSL #

2. Non-Standard Proration: Yes , No X, NSP #

3. Simultaneous Dedication: Yes , No X, SD #

Number of wells Plus #

4. Injection order Yes , No X; PMX # or WFX #

5. SWD order Yes , NO X; SWD #

6. DHC from SF ; DHC-HOB ; Holding

7. OCD Approval Date / /

API #30-05-64448

8. Reviewers