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

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division RECEIVED Submit to appropriate District Office

1220 South St. Francis Dr. AUG 0 8 2005 Santa Fe, NM 87505

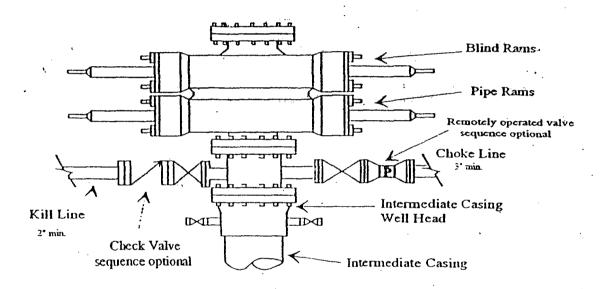
☐ AMENDED REPORT

1220 S. St. Francis Dr., Santa Fe, NM 87505

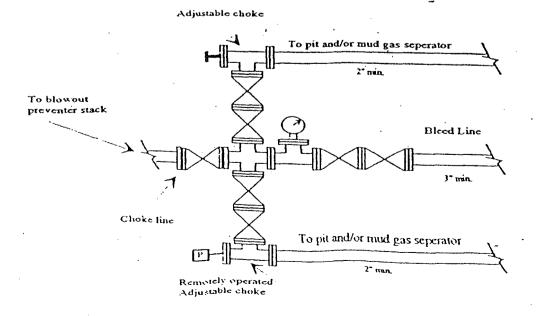
APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE Operator Name and Address OGRID Number 025575 Yates Petroleum Corporation 105 S. 4th Street Artesia, NM 88210 API Number 30-005-63360 Well No. Property Code Property Name 26933 Keno AWK State 10 Proposed Pool 2 9 Proposed Pool 1 Foor Ranch Pre-Permian Pecos Slope Abo Surface Location Lot Idn Feet from the North/South line East/West line UL or lot no. Township Range Feet from the County Section В 4 10S 26E 660 North 1980 Fast Chaves ⁸ Proposed Bottom Hole Location If Different From Surface UL or lot no. Township Range Lot Idn Feet from the North/South line Feet from the East/West line County Section Additional Well Information 13 Cable/Rotary 11 Work Type Code 12 Well Type Code 14 Lease Type Code 15 Ground Level Elevation N/A 3790'GR Proposed Depth ¹⁸ Formation Contractor O Spud Date 16 Multiple Granite Wash N/A **ASAP** Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water >200' >10003 Liner: Synthetic 12 mils thick Clay Pit Volume: Drilling Method: Fresh Water Brine Diesel/Oil-based Gas/Air Closed-Loop System ²¹ Proposed Casing and Cement Program Casing Size Casing weight/foot Setting Depth Hole Size 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 recomplete this well as follows: Perforate Cisco 5638'-5646' (18), 5664'-5686' (46), 5698'-5714' (34) and 5738'-5750' (26). Stimulate as needed. If Cisco zone is not productive and is not going to be produced, set a 5-1/2" CIBP at 5610' with 35' cement on top and a 2nd CIBP at 5400' with 35' cement on top. Perforate Wolfcamp 5058'-5076' (38) and 5110'-5116' (14). Stimulate as needed. If Wolfcamp is not productive, set a 5-1/2" CIBP at 5030' with 35' cement on top. Perforate Abo 4418'-4428' (11), 4470'-4472' (3), 4500'-4504' (5), 4518'-4522' (5), 4528'-4532' (5), 4540'-4544' (5), 4562'-4564' (3), 4580'-4584' (5), 4684'-4686' (3), 4706'-4716' (11) and 4734'-4738' (5). Stimulate as needed. ²³ I hereby certify that the information given above is true and complete to the OIL CONSERVATION DIVISION best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or Approved by: an (attached) alternative QCD-approved plan Signature: Printed name: Tina Huerta Title: <u> AUG_1 6 2006</u> Title: Regulatory Compliance Supervisor Expiration Date: E-mail Address: tinah@ypcnm.com Phone: 505-748-4168 Date: August 4, 2005 Conditions of Approval Attached

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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



District I

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District II

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District III

1000 Rio Brazos Rd., Aztec, NM 87410

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State of New Mexico

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

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Fee Lease - 3 Copies

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	² Pool Code	³ Pool Name			
30-005-63360	82730	Pecos Slope	Abo		
⁴ Property Code	5 F	⁵ Property Name			
26933	Keno	1			
OGRID No.	, (⁹ Elevation			
025575	Yates Petro	3790'GL			

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
В	4	10S	26E		660	North	1980	East	Chaves

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
		· •	"	1	}				
				1					
12 Dedicated Acres	¹³ Joint	or Infill 14	Consolidatio	n Code 15 O	rder No.				
160									
	l								

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	N.019	1480.E	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Tina Huerta Printed Name Regulatory Compliance Supervisor Title and E-mail Address August 4, 20005
			Date
AUG 0 8 2005			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 Signature and Seal of Professional Surveyor:
			Certificate Number

District I 1625 N. French Dr., Hobbs, NM 88240
District II 1701 W. Crand Avanua Artesia NM 8821

Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION

State of New Mexico

Revised June 10, 2003 Submit to Appropriate District Office

1301 W. Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

State Lease - 4 Copies

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 1220 South St. Francis Dr. Santa Fe, NM 87505

Fee Lease - 3 Copies

Form C-102

☐ AMENDED REPORT

1	API Number		<u> </u>	² Pool Code ³ Pool Name							
30-	-005-633	60		76730		Foor Ranch Pre-Permian					
⁴ Property C	ode		⁵ Property Name							Well Number	
26933	3				Keno AWI	X State				1	
OGRID !	No.				8 Operator I	Name				⁹ Elevation	
02557	5			Ya	ites Petroleum	Corporation			3	790'GL	
	•	,			¹⁰ Surface	Location				·	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County	
В	4	10S	26E		660	North	1980	80 East Chave			
			¹¹ Bo	ottom Ho	le Location I	f Different From	m Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line	County	
									ĺ		
12 Dedicated Acre	es ¹³ Joint	or Infill 14 (Consolidatio	n Code 15 Or	rder No.						
320											

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

RECEIVED	7.09.7	[920'E	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature
AUG 0 8 2005 QQD=NM EDIA			Tina Huerta Printed Name Regulatory Compliance Supervisor Title and E-mail Address August 4, 20005 Date
			I8SURVEYOR 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
			Signature and Seal of Professional Surveyor: Certificate Number