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

RECEIVED
Submit to appropriate District Office

Form C-101

May 27, 2004

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

SEP 3 0 2005 ☐ AMENDED REPORT GOD-MATERIA

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

Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210													025575 3 API Number			
													30-0	30-005-63678		
³ Prope			³ Property Name Stingray BHG State							° Well No.						
		15 1														
° Proposed Pool 1 Coyote; Queen												¹⁰ Proposed Pool 2				
	7.0	7 C T	Wildcat Penrose													
	т-			Surface L												
UL or lot no. B	Section 18	Township Range		Range 27E	Lo	ldn	Feet from the 1		North/South line North		Fe	eet from the 1980	East/We Eas		County Chaves	
⁸ Proposed Bottom Hole Location If Different From Surface															Chaves	
UL or lot no.	or lot no. Section Township		Range		Idn				rth/South line				est line	County		
	L	<u> </u>			Δ	dditio	nal Wel	1 Infor	matio	l						
								ell Information e/Rotary 14 Lease Type Code				Type Code	15 Ground Level Elevation			
				Ó	N			'A				S		3829'GR		
				Proposed D N/A								19 Contractor N/A		²⁰ Spud Date ASAP		
Depth to Groundwater				14/74	Distan	ce from:	nearest fresh					Distance from nearest				
>100'					ı, Die N	O'				>1000'						
Pit: Liner: Synthetic mils thick Clay Pit Volume:bbls Drilling Method:															CoolAir 🗍	
Closed-Loop System Fresh Water Brine Diesel/Oil-based Gas/Air Proposed Casing and Cement Program														Oas/All		
	<u> </u>								<u> </u>			Т				
Hole Size Cas			Casing S	ize	Casii	Casing weight/foot Setting Depth			+	Sacks of Cement		╀—	Estimated TOC			
					IN PLACE						\vdash					
			- INTEACE						\vdash							
									he data	on the p	resent	t productive	zone and pr	roposed	new productive zone.	
Describe the	blowout pr	eventior	n program	, if any. I	Jse addition	al sheet	s if necessar	ry.								
Yates Petro	leum Co	rporati	on plans	to plug	back and	recomp	olete as fol	llows: S	Set a 4-	1/2" R	BP a	it 1875'. P	erforate (Queen 9	954'-960' (14),	
980'-990' ((22) and I	Penrose	e 808'-8	28' (42)	. Stimula	te as ne	eeded.									
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23 I hereby certify that the information given above is true and complete to the heat of my knowledge and heliof. I fourther parties that the drilling rise will be completed to the heat of my knowledge and heliof. I fourther parties that the drilling rise will be completed to the heat of my knowledge and heliof. I fourther parties that the drilling rise will be completed to the heat of my knowledge and heliof.														ION .		
best of my knowledge and belief. I further certify that the drilling pit will be														R)		
an (attached)	according alternativ	to NMC ve OCD-	-approved	ennes 🛄 dplafn 🗓	, a generai].	permit	□, or	Approved	1 by:		2.	A		- 55		
Signature:	11:	5	ميل	2	ر				Ma	le to	æ	Z LL	39	ge	wiese	
Printed name:			Title:													
Title: Regulatory Compliance Supervisor								Approval	SEA	3 0 2	2005	3 1	Expiration I	Date	Doos	
E-mail Addres	E-mail Address: tinah@ypcnm.com												• • • • • • • • • • • • • • • • • • • •	VI.	P 3 0 2006	
Date: September 28, 2005 Phone: 505-748-4168									Conditions of Approval Attached							

District I State of New Mexico Form C-102 1625 N. French Dr., Hobbs, NM 88240 Revised June 10, 2003 Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION ECEIVES Submit to Appropriate District Office 1301 W. Grand Avenue, Artesia, NM 88210 State Lease - 4 Copies 1220 South St. Francis Dr. SEP 3 0 2005 1000 Rio Brazos Rd., Aztec, NM 87410 Fee Lease - 3 Copies Santa Fe, NM 87505 District IV OCD-ANTESIA 1220 S. St. Francis Dr., Santa Fe, NM 87505 ☐ AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT ¹ API Number ² Pool Code 3 Pool Name 13380 30-005-63678 Coyote; Queen ⁴ Property Code ⁵ Property Name 6 Well Number **Stingray BHG State** OGRID No. 8 Operator Name 9 Elevation **Yates Petroleum Corporation** 025575 3829'GR 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 27E North 1980 10S 660 В 18 East Chaves ¹¹ Bottom Hole Location If Different From Surface Lot Idn Feet from the North/South line UL or lot no. Section Township Feet from the East/West line County 12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No. 40 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 **OPERATOR CERTIFICATION** 9 I hereby certify that the information contained herein is true and complete to the best of my knowledge and 1980'E Tina Huerta Regulatory Compliance Supervisor Title and E-mail Address September 28, 2005 Date ¹⁸SURVEYOR 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

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



SEP 3 0 2005 OCU-AMIESIA

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
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EXECUTIVE VICE PRESIDENT
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DENNIS G. KINSEY TREASURER

105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

September 28, 2005

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

Re:

Stingray BHG State #1
Section 18-T10S-R27E
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 Queen formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta

Regulatory Compliance Supervisor