

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
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TREASURER

October 25, 2006



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

Re: Suburb AZS State Com #1
Section 36-T18S-R25E
Eddy 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 Atoka 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

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

Oil Conservation Division

1920 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101

May 27, 2004

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 30-015-31906
⁴ Property Code 28507	⁵ Property Name Suburb AZS State Com	⁶ Well No. 1
⁹ Proposed Pool 1 Wildcat Strawn		¹⁰ Proposed Pool 2 Wildcat Wolfcamp

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
A	36	18S	25E		660	North	660	East	Eddy

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 3460'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Chester	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
²¹ Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method:				
Closed-Loop System <input checked="" 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 plugback and recomple this well as follows: Set a CIBP at 8913' with 35' cement on top. Set a CIBP at 8631' with 35' cement. Perforate Strawn 8358'-8364' (24), 8488'-8496' (32) and 8534'-8542' (32). Stimulate as needed. If Strawn completion is unsuccessful, set a CIBP at 8224' with 35' cement on top. Set a CIBP at 7600' with 35' cement on top. Perforate Wolfcamp 6244'-6252' (32). Stimulate as needed. If only marginal results are obtained, set an RBP at 6000' and perforate Wolfcamp 5840'-5848' (32) and 5864'-5878' (56). Stimulate as needed. If both Wolfcamp zones are compatible then combine the two by retrieving the RBP and resetting the packer at 5800'. If the well must be pumped, instead of the packer being run, will use production string.

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 NMOC guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tina@ypcnm.com

Date: October 25, 2006

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARANT

Title:

DISTRICT II GEOLOGIST

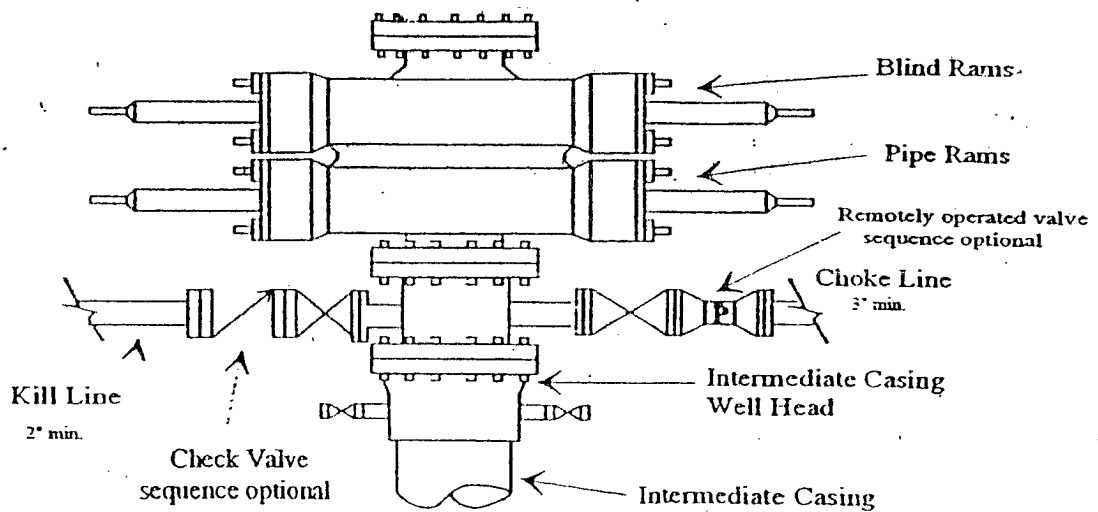
Approval Date:

Expiration Date:

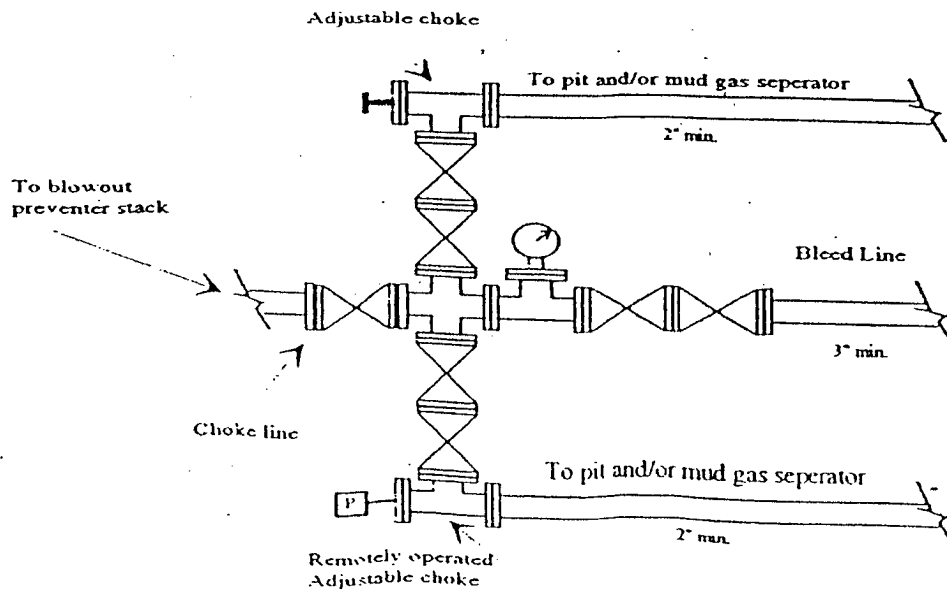
Conditions of Approval Attached ☐

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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



WELL NAME: Suburb "AZS" State Com No. 1

FIELD:

LOCATION: 660' FNL & 660' FEL Sec 36-18S-25E

Eddy County NM

GL: 3460' ZERO: KB: 3478'

SPUD DATE: 9/9/02 COMPLETION DATE: 10/2/02

COMMENTS: API # 30-015-31906

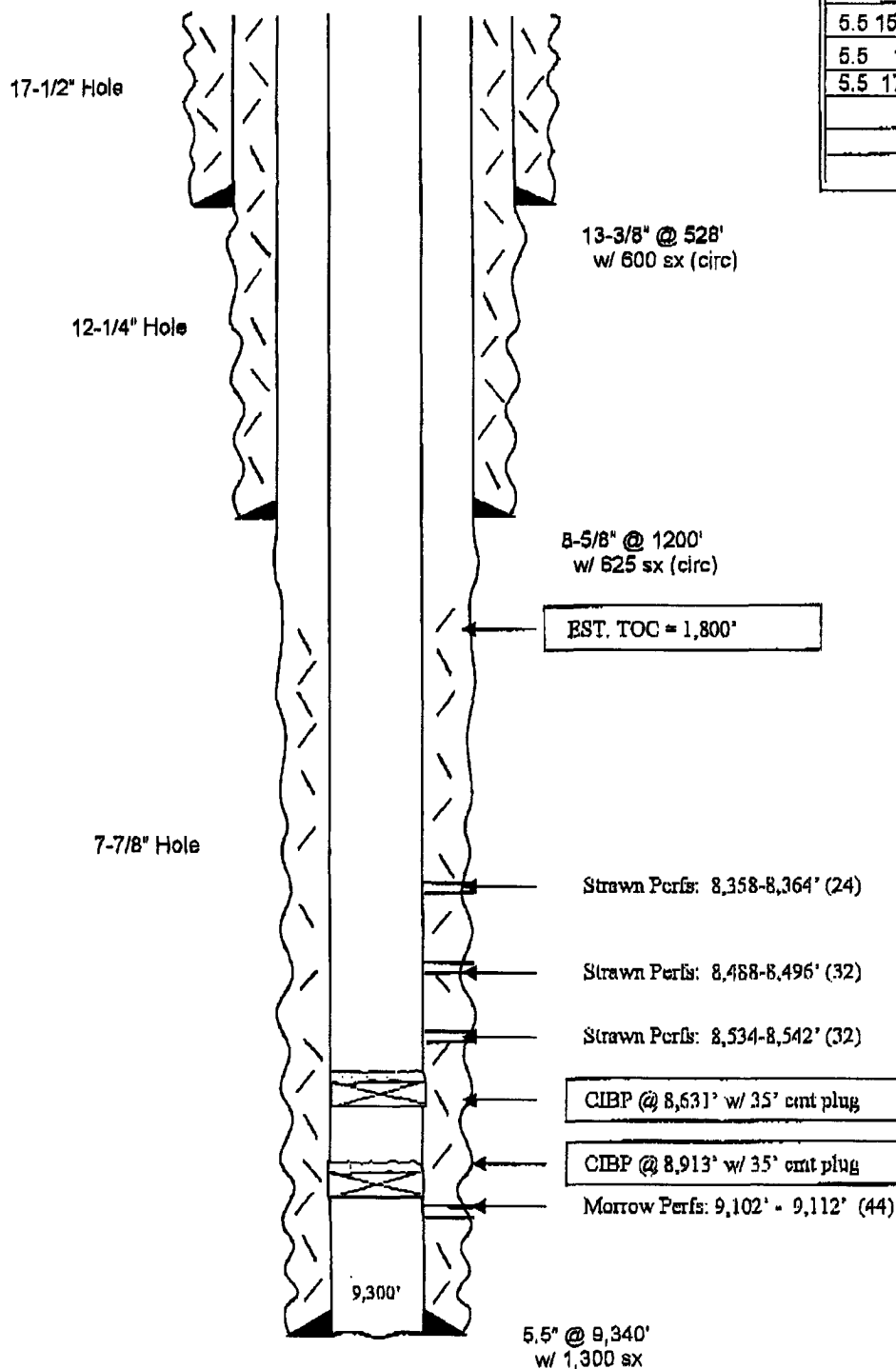
CASING PROGRAM

13-3/8" 48# H40 ST&C	528'
8-5/8" 24# J55 ST&C	1,200'
5.5 17# J55 LT&C	513.76'
5.5 15.5# J55 LT&C	5883.48'
5.5 17# J55 LT&C	1751.45'
5.5 17# P110 LT&C	1205.61'
	9,340'

After

Tops:

Glarieta	2,114'
Yaso	2,281'
Tubb/Sd	3,759'
Abo/Sh	4,437'
WC	5,702'
Canyon Sd	7,650'
Strawn	8,274'
Atoka	8,681'
Morrow	8,963'
Chester Lm	9,222'



Not to Scale

10/17/06
DC/SM

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FIELD: _____

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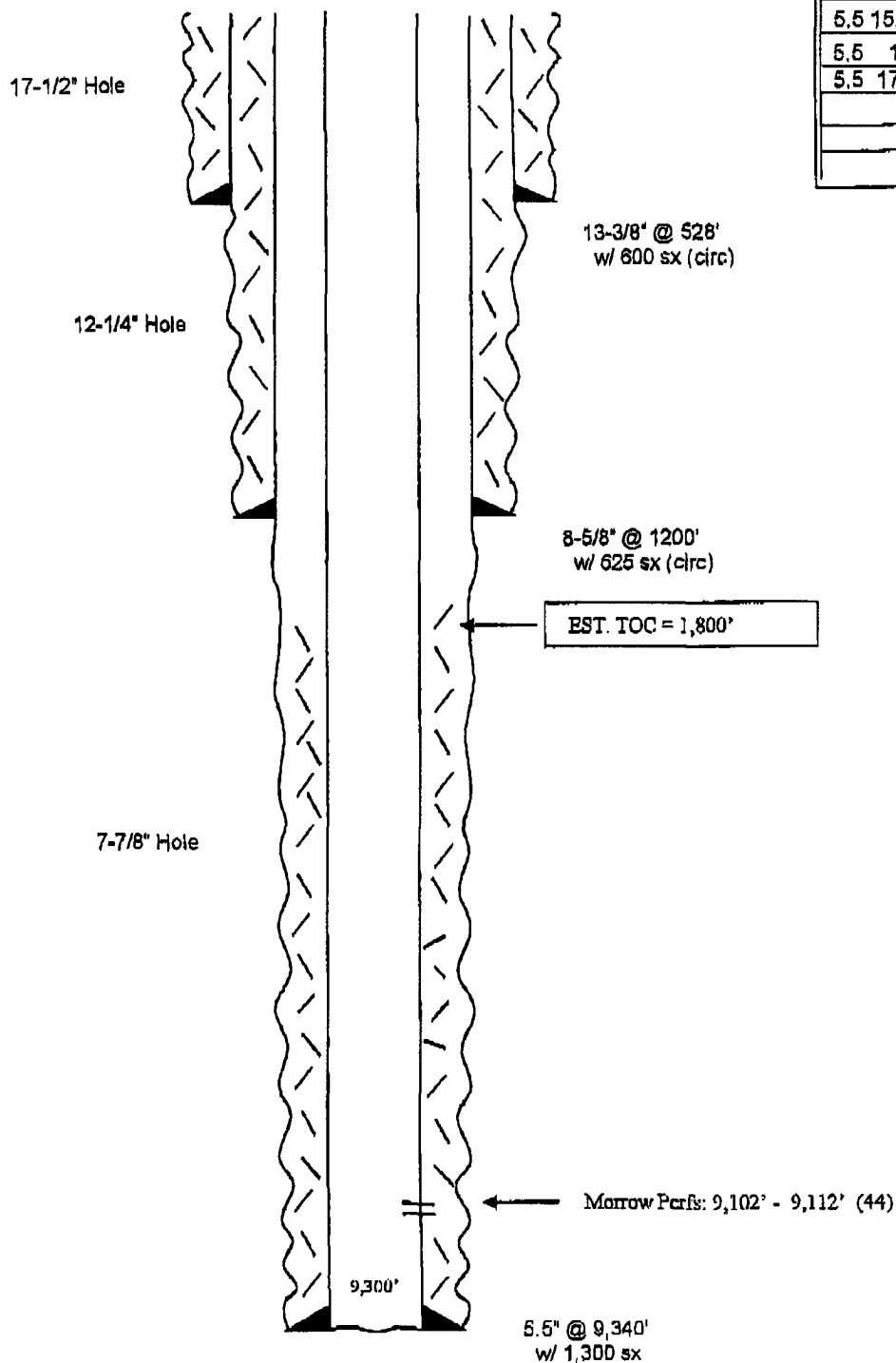
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5.5 17# P110 LT&C	1205.81'
	9,340'

Before



Not to Scale
10/17/08
DC/SM