

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

MAR 11 2009

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 30-005-64106
³ Property Code 27836	⁵ Property Name Program AXP State	⁶ Well No 2
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
M	5	10S	26E		660'	South	660'	West	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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3778'
¹⁶ Multiple N	¹⁷ Proposed Depth 6150'	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 1/4"	8 5/8"	24#	1100'	750	Surface
7 7/8"	5 1/2"	15.5#	6150"	500	3700'

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 and test the Basement and intermediate formations. Approximately 1100' 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' FWGcl/Paper/LCM; 1100'-4210' Brine; 4210'-6150' Starch/salt gel.

BOPE PROGRAM. A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.

No H2S is anticipated.

C-144 Approved 2/23/09 OCD permit # 0209113

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

Signature:

Clifton May

Printed name:

Clifton May

Title:

Regulatory Agent

E-mail Address:

cliff@yatespetroleum.com

Date:

3/10/09

Phone:

575-748-4335

OIL CONSERVATION DIVISION

Approved by:

Jacqui Reaver

Title

Geologist

Approval Date:

3/18/09

Expiration Date:

3/18/2011

Conditions of Approval Attached ☐

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

State of New Mexico
 Minerals & Natural Resources Department
S OIL CONSERVATION DIVISION
 20 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-005-64106	² Pool Code 16730	³ Pool Name Four Ranch; Pre-Petroleum
⁴ Property Code 27836	⁵ Property Name Program "AXP" State	⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3778

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
M	5	10 S	26 E		660	South	660	West	Chaves

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 320 S/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>Debbie L. Caffall</i> Date: 1/30/2007 Debbie L. Caffall, Regulatory Agent Printed Name
660' 660'				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: REFER TO ORIGINAL PLAT Certificate Number
			VO-5656	

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1998

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

4, NM 88849

Article, NM 88218

III

James E. L., Antea, NM 87419

ACT IV
South Pecos, Santa Fe, NM 87508

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat Precambrian
Property Code	Property Name PROGRAM "AXP" STATE	Well Number 2
OCED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3778

Surface Location

DE or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South Line	Feet from the	East/West Line	County
M	5	10S	26E		660	SOUTH	660	WEST	CHAVES

Bottom Hole Location If Different From Surface

DE or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres 320	Joint or Seith	Consolidation Code	Order No.
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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

				<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Perez</u> Signature</p> <p>Pat Perez Printed Name</p> <p>Regulatory Agent Title</p> <p>3-27-01 Date</p>
				<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>3/15/2001 Date Surveyed</p> <p><u>Herbert L. Jones</u> Signature</p> <p>Professional Surveyor NEW MEXICO 3640</p> <p>Herbert L. Jones RLS 3640 Geological Surveyor GOSUM SURVEYING COMPANY</p>

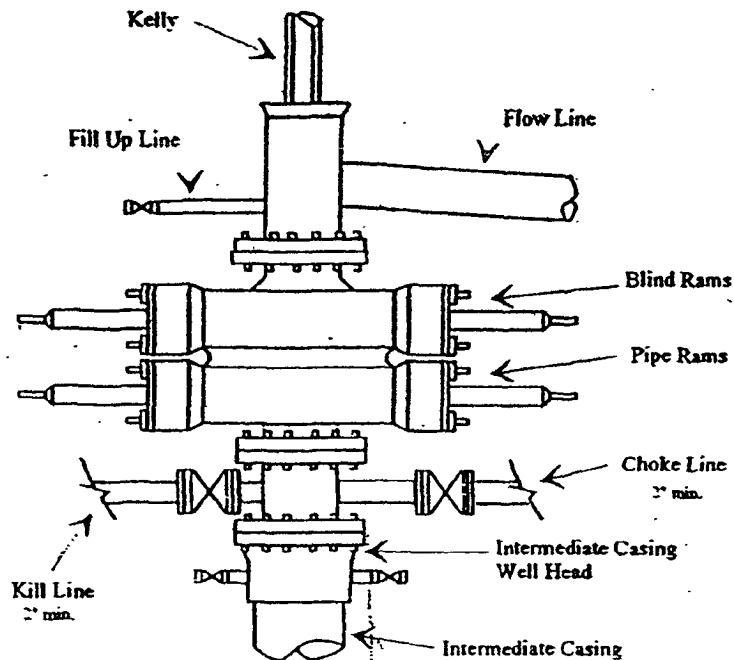


Yates Petroleum Corporation

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

