

OK
Bum
5/2
GD

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised March 17, 1999

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

AMENDED REPORT

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

Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
Property Code 26236	Property Name Vegas "AVT" State Com.	API Number 30-72537
		Well No. 1

Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
K	22	9S	26E		1980'	South	1980'	West	Chaves

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County

Proposed Pool 1

Proposed Pool 2

Work Type Code E Multiple	Well Type Code G Proposed Depth 6200'	Cable/Rotary Rotary Formation Ordivician	Lease Type Code S Contractor Not Determined	Ground Level Elevation 3774' Spud Date ASAP
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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#	873'	500 sx	In place
7 7/8"	5 1/2"	15.5#	4925'	500 sx	TOC 3000'

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.

SEE ATTACHED PAGE #2

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature:	Printed name: Cy Cowan	Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	Title:
Title: Regulatory Agent	Date: 7-7-00	Approval Date: JUL 11 2000	Expiration Date: JUL 11 2000
Phone: (505) 748-1471	Conditions of Approval: <input type="checkbox"/> Attached <input type="checkbox"/>		

YATES PETROLEUM CORPORATION

Vegas AVT State Com. #1

Drilling Prognosis

Page 2

This well was originally drilled by McKay Oil Company as the Texaco State Com. #1. It was spudded on September 25, 1987.

Yates Petroleum Corporation proposes to re-enter this well using a drilling rig to drill out the cement plugs in the 8 5/8" casing and the 7 7/8" open hole to 4925' then deepen the well to 6200' in the Ordovician Formation. A new suite of logs will be run then a string of 5 1/2" casing will be run to TD and cemented to approximately 3000'. The well will then be completed with a pulling unit in the Wolfcamp Formation at approximately 5400'.

MUD PROGRAM: Brine Water (Weight: 9.2-9.5, Vis: 55-70).

BOPE PROGRAM: 3000 # BOPE will be nipped up on 8 5/8 in casing.

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number		' Pool Code		' Pool Name Wildcat Ordovician		
' Property Code		' Property Name Vegas "AVT" State Com.			' Well Number 1	
' OGRID No. 025575		' Operator Name YATES PETROLEUM CORPORATION			' Elevation 3774'	

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
K	22	9S	26E		1980'	South	1980'	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	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

<p>4pc LG-8968</p>	<p>4pc LG-4919</p>	<p>4pc 1980'</p>	<p>4pc VA-212L</p>	<p>4pc V-4787</p>	<p>4pc V-1291</p>	<p>1980</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p>	
							<p>Signature <i>Cy Cowan</i> Cy Cowan</p>	
							<p>Printed Name Regulatory Agent</p>	
							<p>Title 7-7-00</p>	
							<p>¹⁸ 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>Refer to Original Plat</p>	
							<p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
							<p>Certificate Number</p>	

All distances must be from the outer boundaries of the Section.

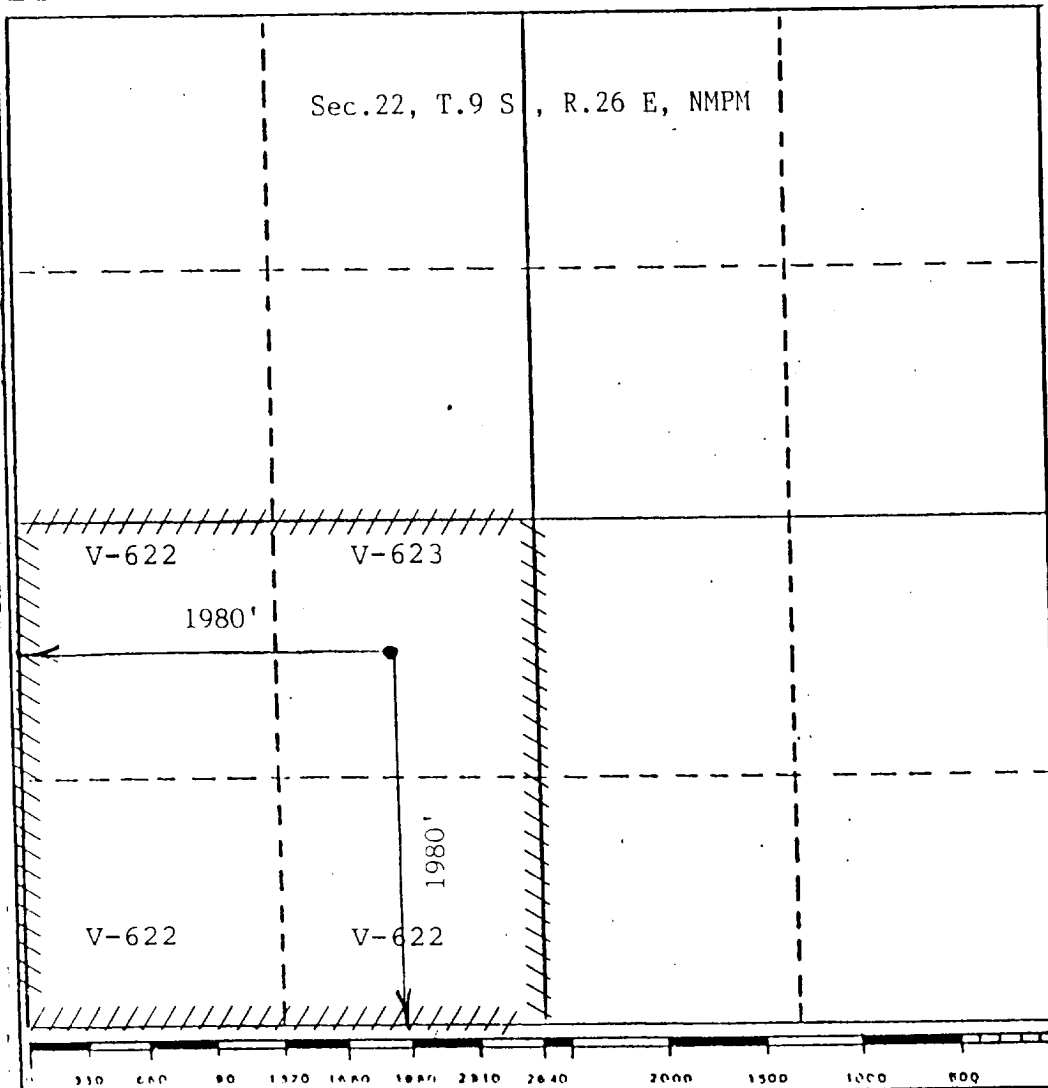
Operator McKay Oil Corp.		Lease Texaco State 'Comm'		Well No. #1
Unit Letter K	Section 22	Township 9 South	Range 26 East	County Chaves
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the West line				
Ground Level Elev. 3774	Producing Formation Abo	Pool Pecos Slope-Abo	Dedicated Acreage 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation Will be communitized if productive

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Terry W. Franklin
Name
Terry W. Franklin
Position
Agent
Company
McKay Oil Corporation
Date
September 11, 1987

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 knowledge and belief.

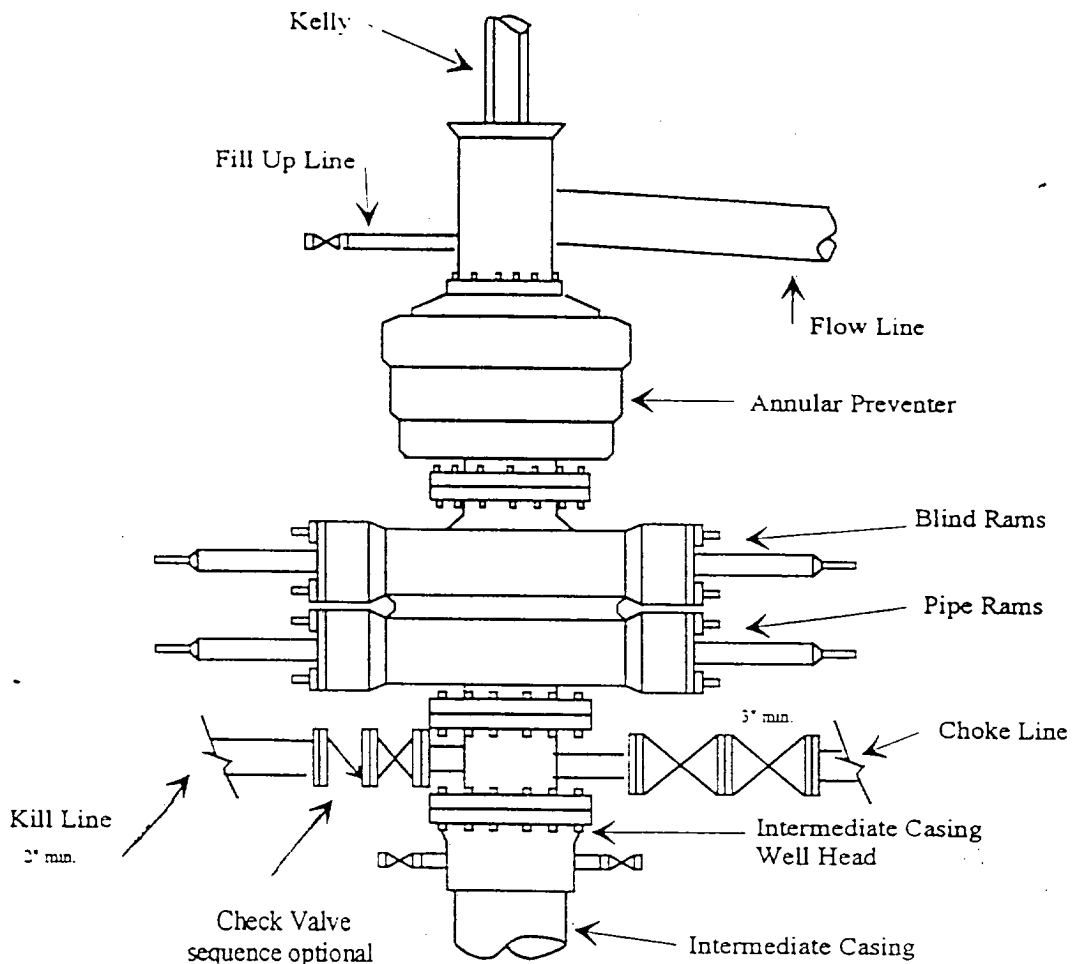
JOHN D. JAQUES
Date Surveyed
September 9, 1987
Registered Professional Engineer and U.S. Geologist
John D. Jaques
Certificate No. 6290



Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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

