

District I
1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised December 16, 2011

HOBBS OCD

Permit

JAN 11 2012

RECEIVED

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

1 Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia NM, 88210		2 OGRID Number 025575
		3 API Number 30-025-26309
4 Property Code 39010	5 Property Name TRUCKER BRK STATE	6 Well No 001H

7 Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
L	2	24S	33E	L	1980	SOUTH	660	WEST	LEA

8 Pool Information

Bell Lake Bone Spring	5130
-----------------------	------

Additional Well Information

9 Work Type RE-ENTRY	10 Well Type OIL	11 Cable/Rotary	12 Lease Type STATE	13 Ground Level Elevation 3615
14 Multiple N	15 Proposed Depth 13836	16 Formation BONE SPRING	17 Contractor	18 Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19 Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	20	16	60	798-In Place	450	0
Int1	14 3/4	10 3/4	45.5	5250-In Place	4150	0
Int2	9 1/2	7 5/8	33.7	12514-In Place	2250	0
Prod	6 1/8	4 1/2	11.6	13836	350	0

Casing/Cement Program: Additional Comments

H2S is anticipated (plan attached).
Maximum Anticipated BHP 0'-9760' 4720 PSI
Pressure Control Equipment 5M BOP will be used
Pulling Unit Well will be re-entered with a pulling unit and the plugs drilled out to 9400' using an 8 9 MW Hole will be circulated clean Then a cast iron bridge plug with 35' of cement will be set above the liner top A CBL and casing integrity log will be run and if necessary, perforate and pump cement behind 7 5/8" casing across the kick off point Well should be dead at this point Finally, well will be turned over to drilling to kick off and drill lateral
Drilling Rig Whipstock will be set above cast iron bridge plug Kick off at approximately 9273' with a 6 1/8" hole Build curve at 12 degrees per 100' Land curve at 10022' MD (9751' TVD) and drill lateral to 13836' MD (9760' TVD) where 4 1/2" 11 6# L-80 LT&C casing will be set at 9274' and buttress from 9274' to TD and cemented
Mud used will be cut brine 8.9-9.2 ppg with 32-38 vis Penetration point will be encountered at 1136' FWL & 1980' FSL of Sec 2 T24S-R33E
Cement DV tool placed at approximately 9073' After completion procedure, 4 1/2" will be cut and pulled at 9073'

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Re-Entry

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

Signature 

Printed name. Travis Hahn

Title Land Regulatory Agent

E-mail Address thahn@yatespetroleum.com

Date 1/10/12

Phone 575-748-4120

OIL CONSERVATION DIVISION

Approved By

Title

Approved Date

JAN 12 2012

Expiration Date

Conditions of Approval Attached

JAN 23 2012

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
Phone (505) 748-1263 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 478-3460 Fax: (505) 478-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

HOBBS OCD

Form C-102
Revised August 1, 2011

JAN 11 2012

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-26309	Pool Code 5130	Pool Name Bell Lake, Bone Springs
Property Code 39010	Property Name TRUCKER "BRK" STATE	Well Number 1H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3615'

Surface Location

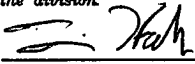
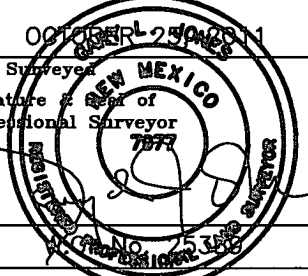
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	2	24 S	33 E		1980	SOUTH	660	WEST	LEA

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
I	2	24 S	33 E		1980	SOUTH	330	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order 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

<p>SURFACE LOCATION Lat - N 32°14'41.34" Long - W 103°32'58.32" NMSPC- N 453682.557 E 783661.322 (NAD-83)</p>	<p>Project Area</p>	<p>Producing Zone</p>	<p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°14'41.39" Long - W 103°32'08.46" NMSPC- N 453719.390 E 787943.582 (NAD-83)</p>	<p>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.</p> <p> 1/10/12 Signature Date</p> <p>Travis Hahn Printed Name</p> <p>thahn@yatespetroleum.com Email Address</p>
<p>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.</p> <p></p> <p>Date Surveyed Signature of Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS 25620</p>				

Bell Lake;

WELL NAME: Trucker BRK St #1H FIELD: ~~Wildcat~~ Bone Springs

LOCATION: 1980' FSL & 660' FWL of Section 2-24S-33E Lea County

GL: 3627' ZERO: KB: 3651'

SPUD DATE: 5/26/79 COMPLETION DATE: 11/28/79

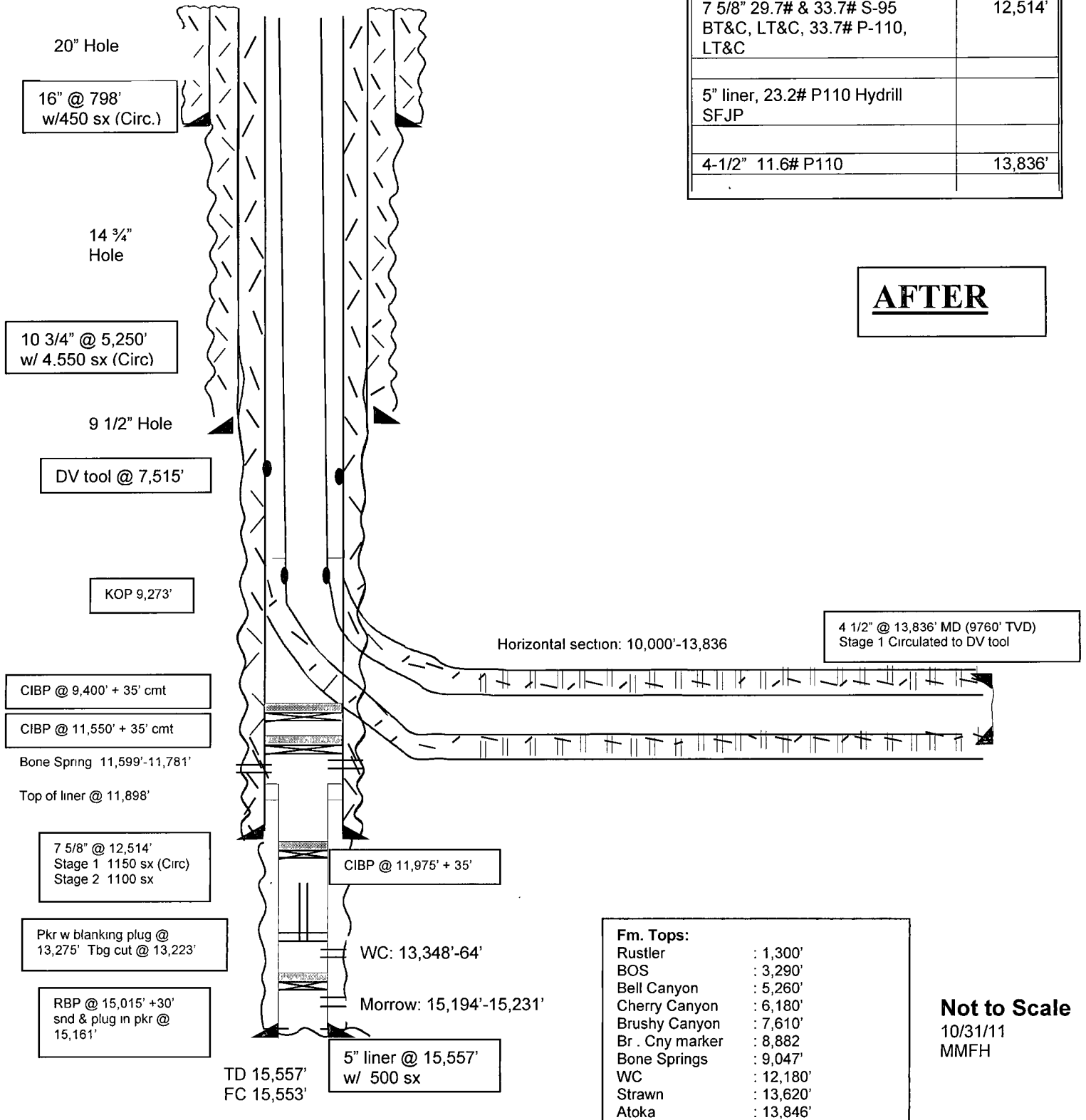
COMMENTS: API: 30-025-26309

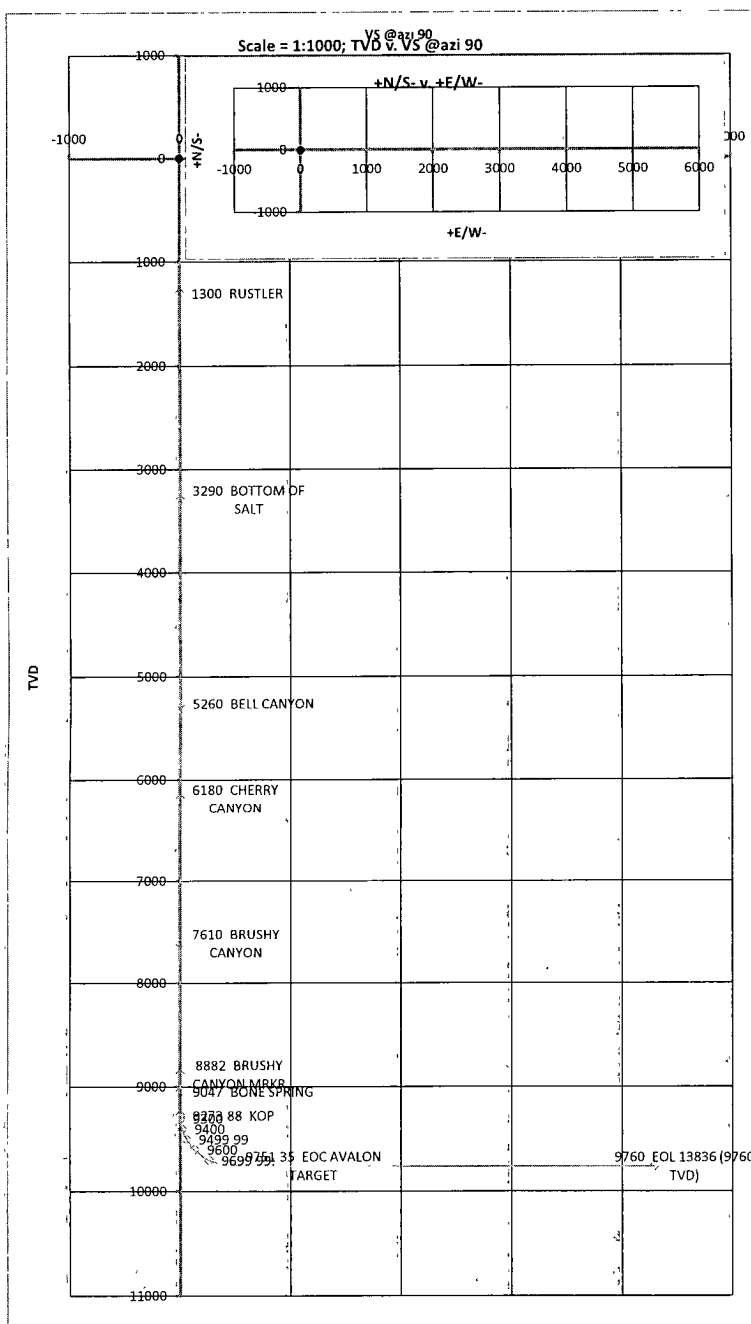
Frmly Jog St Com #1

CASING PROGRAM

16" 60# H-40	798'
10 3/4" 40.5# & 45.5# S80 ST&C & 45.5# K-55 STC	5,250'
7 5/8" 29.7# & 33.7# S-95 BT&C, LT&C, 33.7# P-110, LT&C	12,514'
5" liner, 23.2# P110 Hydrill SFJP	
4-1/2" 11.6# P110	13,836'

AFTER





**Yates Petroleum Corporation
105 S. Fourth Street
Artesia, NM 88210**

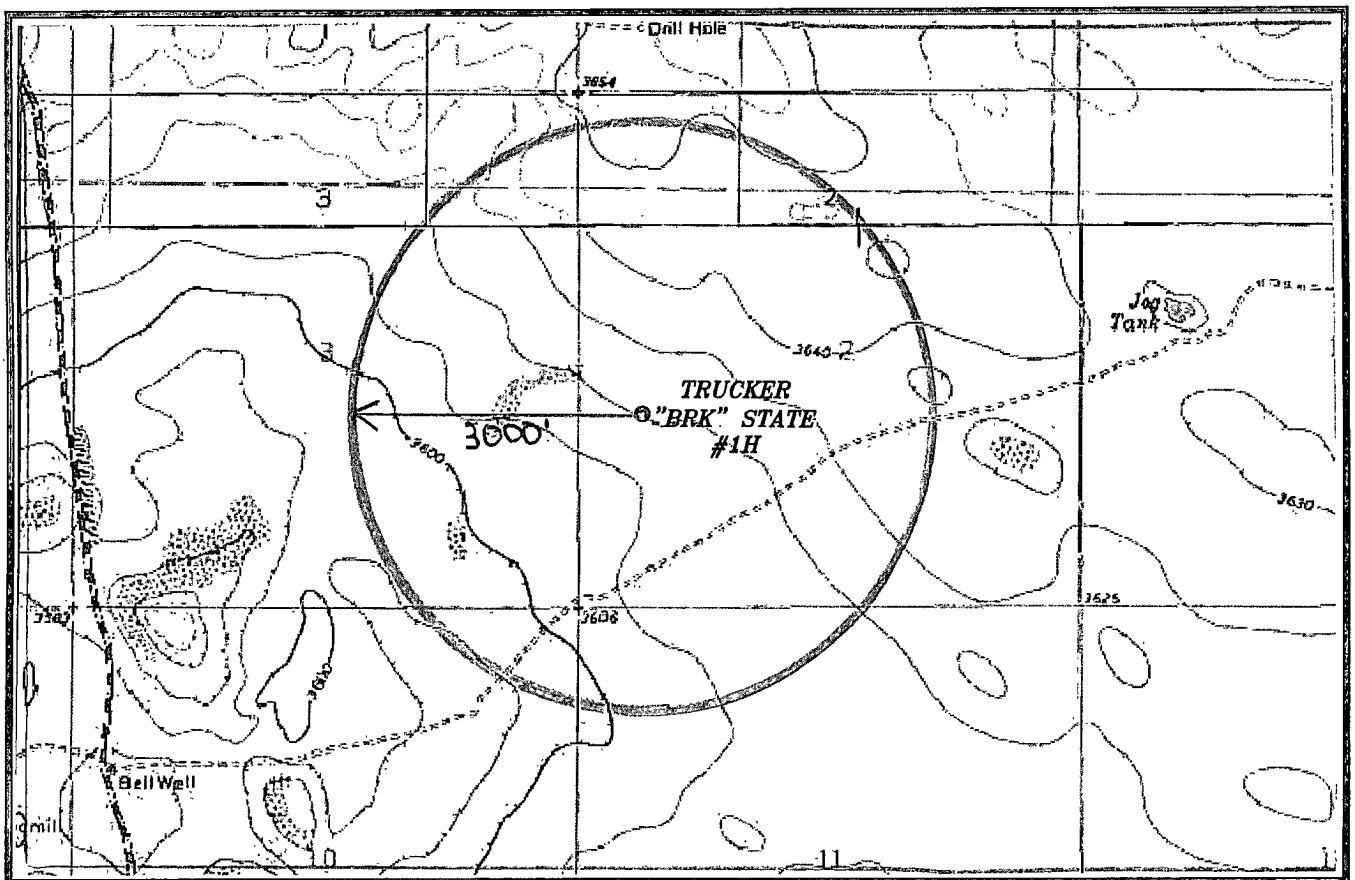
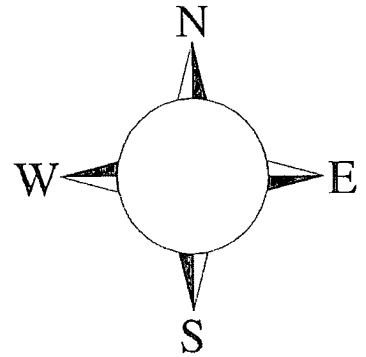
Hydrogen Sulfide (H₂S) Contingency Plan

For

**Trucker BRK State #1H
1980' FSL & 660' FWL
Section 2, T24S-R33E
Lea County, NM**

Trucker BRK State #1H

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.



Assumed 100 ppm ROE = 3000'
100 ppm H₂S concentration shall trigger activation of this plan.

Emergency Procedures

In the case of a release of gas containing H₂S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H₂S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H₂S monitors and air packs in order to control the release. Use the “buddy system” to ensure no injuries during the response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

YPC personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. YPC Company response must be in coordination with the State of New Mexico’s ‘Hazardous Materials Emergency Response Plan’ (HMER)

Yates Petroleum Corporation Phone Numbers

YPC Office	(575) 748-1471
Wade Bennett/Prod Superintendent	(575) 748-4236
LeeRoy Richards/Assistant Prod Superintendent	(575) 748-4228
Mike Larkin/Drilling	(575) 748-4222
Paul Hanes/Prod. Foreman/Roswell	(575) 624-2805
Tim Bussell/Drilling Superintendent	(575) 748-4221
Artesia Answering Service	(575) 748-4302
(During non-office hours)	

Agency Call List

Eddy County (575)

Artesia

State Police	746-2703
City Police.....	746-2703
Sheriff's Office	746-9888
Ambulance	911
Fire Department	746-2701
LEPC (Local Emergency Planning Committee)	746-2122
NMOCD.....	748-1283

Carlsbad

State Police	885-3137
City Police.....	885-2111
Sheriff's Office	887-7551
Ambulance	911
Fire Department	885-2111
LEPC (Local Emergency Planning Committee).....	887-3798
US Bureau of Land Management.....	887-6544
New Mexico Emergency Response Commission (Santa Fe)	(505) 476-9600
24 HR	(505) 827-9126
New Mexico State Emergency Operations Center.....	(505) 476-9635
National Emergency Response Center (Washington, DC) ...	(800) 424-8802

Other

Boots & Coots IWC	1-800-256-9688 or (281) 931-8884
Cudd Pressure Control.....	(915) 699-0139 or (915) 563-3356
Halliburton	(575) 746-2757
B. J. Services.....	(575) 746-3569
Flight For Life -4000 24th St, Lubbock, TX	(806) 743-9911
Aerocare -Rr 3 Box 49f, Lubbock, TX	(806) 747-8923
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuquerque, NM	(505) 842-4433
S B Air Med Svc 2505 Clark Carr Loop SE, Albuquerque, NM	(505) 842-4949