

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 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 30-025-38567		² Pool Code 79323	³ Pool Name Jenkins, Atoka, NW (Gas)
⁴ Property Code 34945	⁵ Property Name JENKINS AXI FEDERAL COM		⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name YATES PETROLEUM CORPORATION		⁹ Elevation 4317'

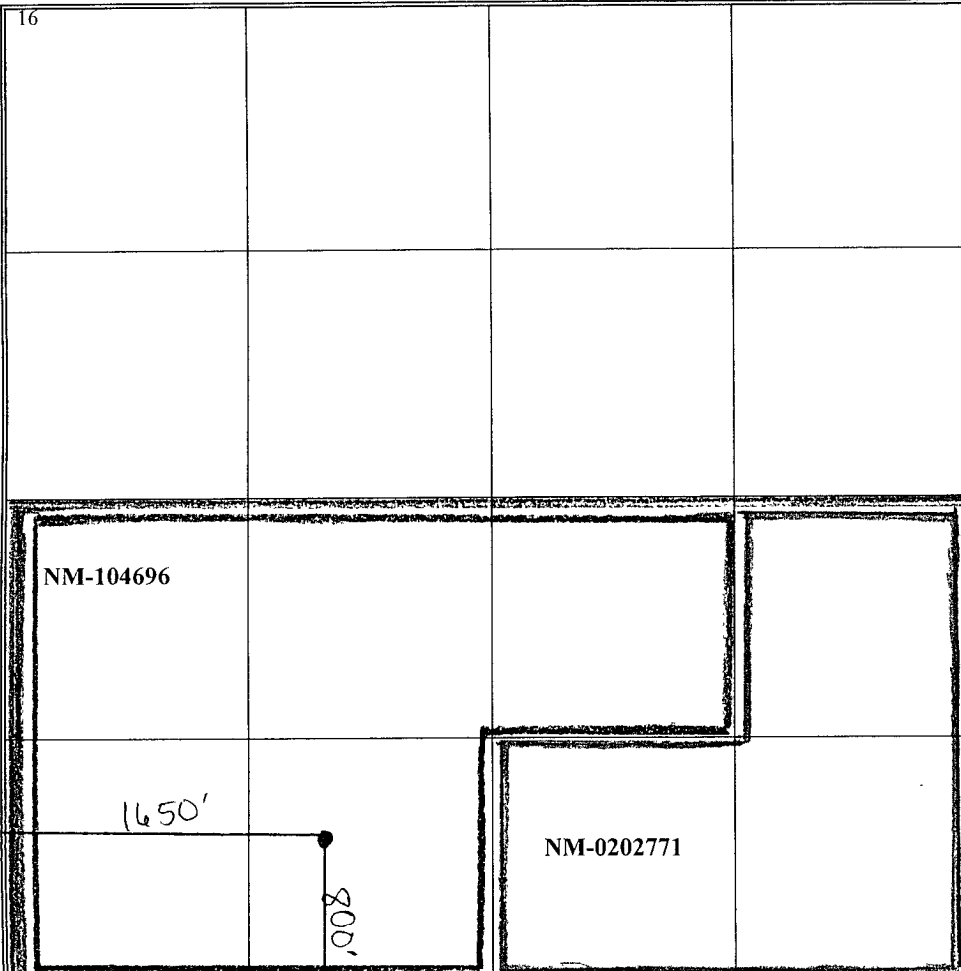
¹⁰ Surface Location

UL or lot no. N	Section 6	Township 9S	Range 34E	Lot Idn	Feet from the 800	North/South line SOUTH	Feet from the 1650	East/West line WEST	County LEA
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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 52		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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 	<p>¹⁷ OPERATOR CERTIFICATION <i>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</i></p> <p>Signature <u>Clifton R. May</u> Date <u>6/14/07</u></p> <p><u>Clifton R. May</u> Printed Name</p> <p><u>Regulatory Agent</u> Title</p>
	<p>¹⁸ SURVEYOR CERTIFICATION <i>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.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor.</p> <p>REFER TO ORIGINAL PLAT</p> <p>Certificate Number</p>

DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

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 Atoka
Property Code	Property Name JENKINS "AXI" FEDERAL COM.		Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 4317

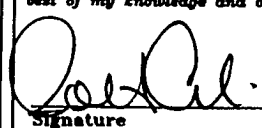
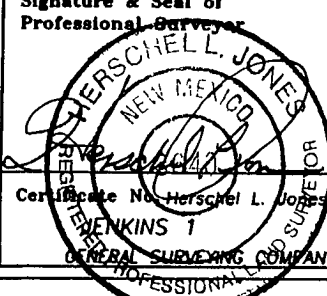
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	9S	34E		800	SOUTH	1650	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
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

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

				OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Robert Asher Printed Name Regulatory Agent Title June 7, 2005 Date	
				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. 12/09/2004 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. Herschel L. Jones RLS 3640 JENKINS 1 GENERAL SURVEYING COMPANY PROFESSIONAL SURVEYOR	

NM-104696

N.33°33'28.6"
W.103°30'17.1"
N.931482.7
E.752579.1
(NAD-27)

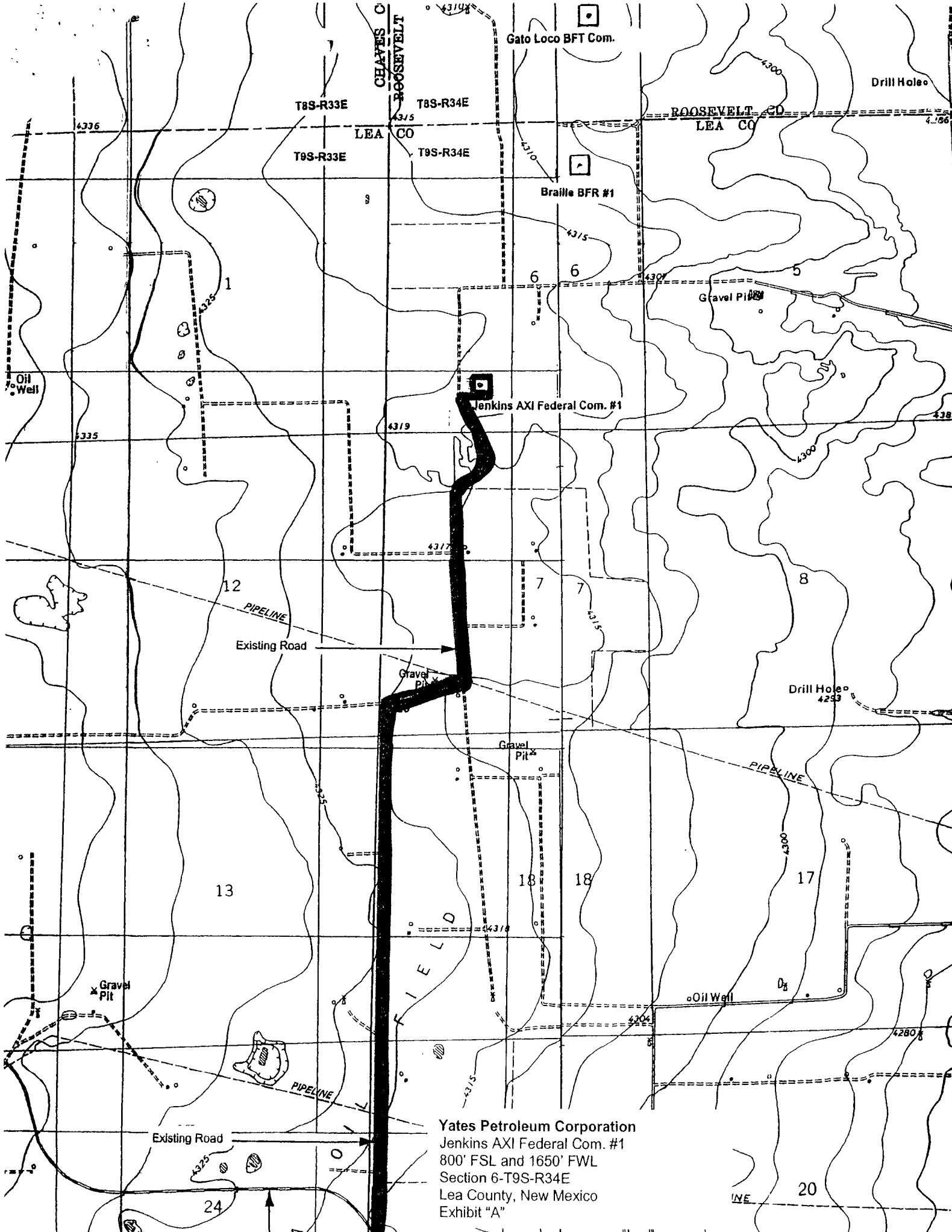
4318 4317

1650'

4318 4317

NM-0202771

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



Yates Petroleum Corporation
Jenkins AXI Federal Com. #1
800' FSL and 1650' FWL
Section 6-T9S-R34E
Lea County, New Mexico
Exhibit "A"

YATES PETROLEUM CORPORATION
Jenkins AXI Federal Com. #1
 800' FSL and 1650' FWL
 Section 6, T9S-R34E
 Lea County, New Mexico

1. The estimated tops of geologic markers are as follows:

Yates	2660'	Tubb	6790'
Seven Rivers	2782'	XX Marker	8550'
Queen	3300'	Wolfcamp	8750'
San Andres	3880'	Atoka Shale	10700'
Glorieta	5300'	Mid Atoka	11040'
		TD	11400'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 250'-500'
 Oil or Gas: All potential formations.

3. Pressure Control Equipment: BOPE will be installed on the 9 5/8" casing and rated for 5000# BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

SEE
COA

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment And a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

Hole Size	Casing Size	Wt./Ft	Grade	Coupling	Interval
17 1/2"	13 3/8"	48#	H-40	ST&C	0-400'
12 1/4"	9 5/8"	36#	J-55	ST&C	0-4000'
8 3/4"	5 1/2"	17#	J-55	LT&C	0-11400' 1900'-7600'

SEE
~~TABLE~~

1. Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.8

MODIFICATION

5.5"	17#	L-80	LT&C	0-1900'
5.5"	17#	HCP-110	LT&C	7600'-11400'

Jenkins AXI Federal Com. #1

Page 2

B. CEMENTING PROGRAM:

Surface Casing: 400 sx Class C + 2% CaCL₂ (YLD 1.32 WT 15.6). Circulate to surface.

Intermediate Casing: Lead 1250 sx Lite (YLD 2.01 WT 12.0). Tail in w/200 sx Class C (YLD 1.32 WT 15.6). Circulate to surface.

Production Casing: 1200 sx H (YLD 1.94 WT 12.5). Tail w/900 sx C (YLD 1.52 WT 13.5). TOC=3400'.

5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-400'	FW Gel/Paper	8.4 – 8.6	33-35	N/C
400'-2130'	Fresh Water	9.0 - 9.4	33-35	N/C
2130'-4000'	Red Bed Mud/Oil	10.0 – 10.4	33-36	N/C
4000'-7600'	Cut Brine	9.3 - 9.8	28-29	N/C
7600'-10700'	S Gel/Oil/Starch	9.5 - 9.6	34-38	<60/cc
10700'-11400'	S Gel/Starch/4-6% KCL	9.7 – 9.9	34-38	<15-20/cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10' samples, surface casing to TD.

Logging: Platform Express: HALS, BHC Sonic, NGT/GR-NEUT to Surf Csg.

Coring: None

DST's: None.

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Anticipated BHP:

From: 0	TO: 400'	Anticipated Max. BHP: 180 PSI
From: 400'	TO: 4000'	Anticipated Max. BHP: 2175 PSI
From: 4000'	TO: 11400'	Anticipated Max. BHP: 5870 PSI

Abnormal Pressures Anticipated: None

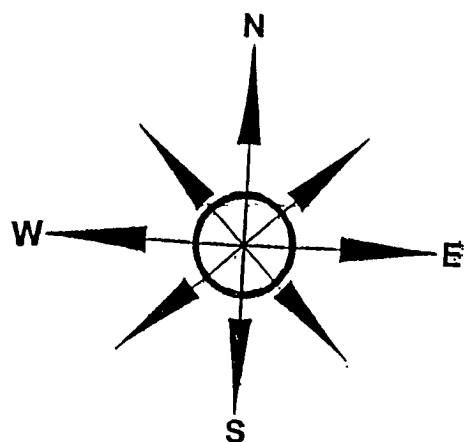
Lost Circulation Zones Anticipated: None.

H₂S Zones Anticipated: None Anticipated

Maximum Bottom Hole Temperature: 145 F

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 40 days to drill the well with completion taking another 20 days.

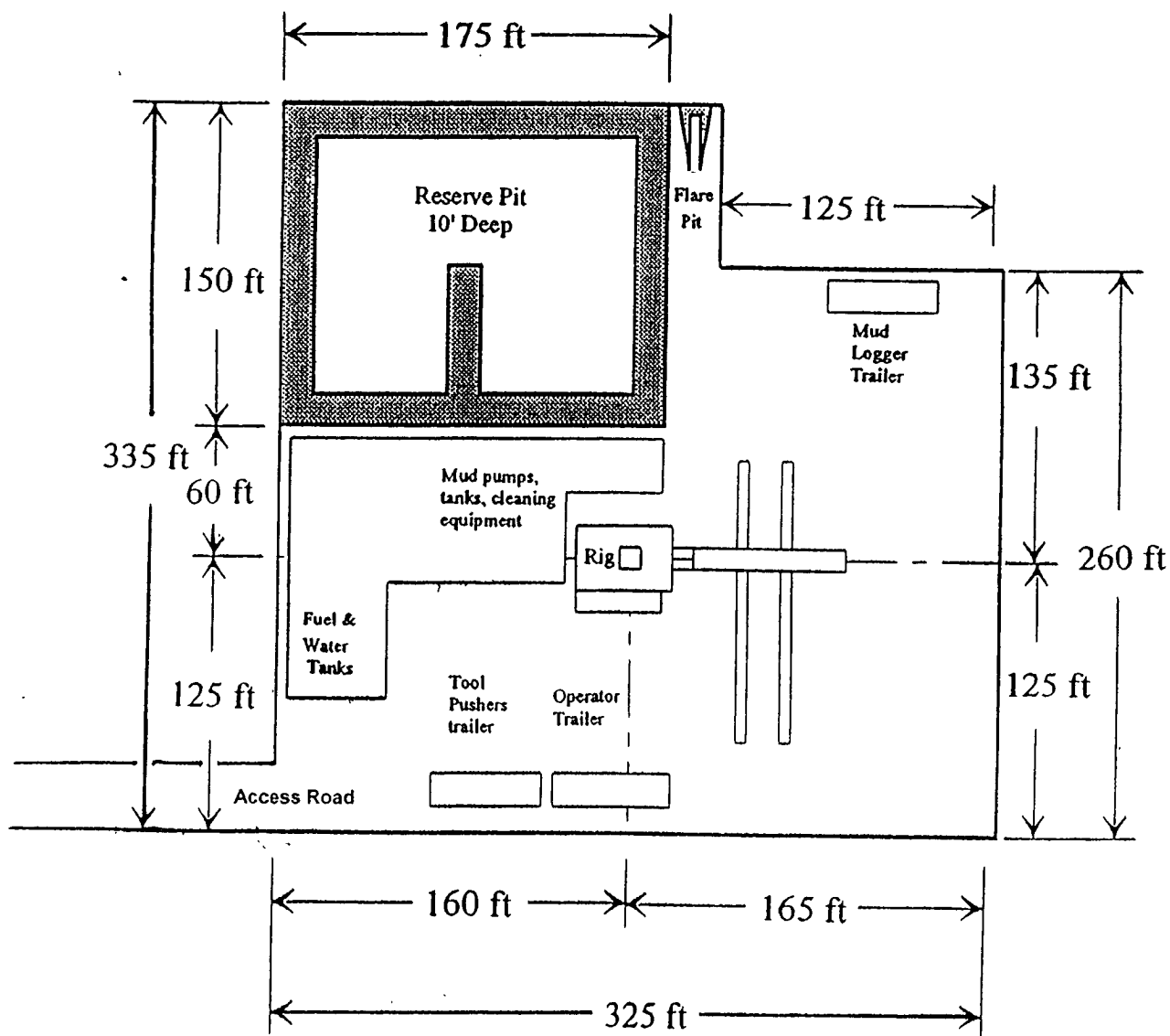


Yates Petroleum Corporation

Location Layout for Permian Basin

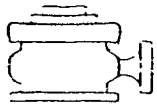
Up to 12,000'

Yates Petroleum Corporation
 Jenkins AXI Federal Com. #1
 800' FSL and 1650' FWL
 Section 6-T9S-R34E
 Lea County, New Mexico
 Exhibit "C"



Distance from Well
 Head to Reserve Pit
 will vary between rigs

The above dimension
 should be a maximum



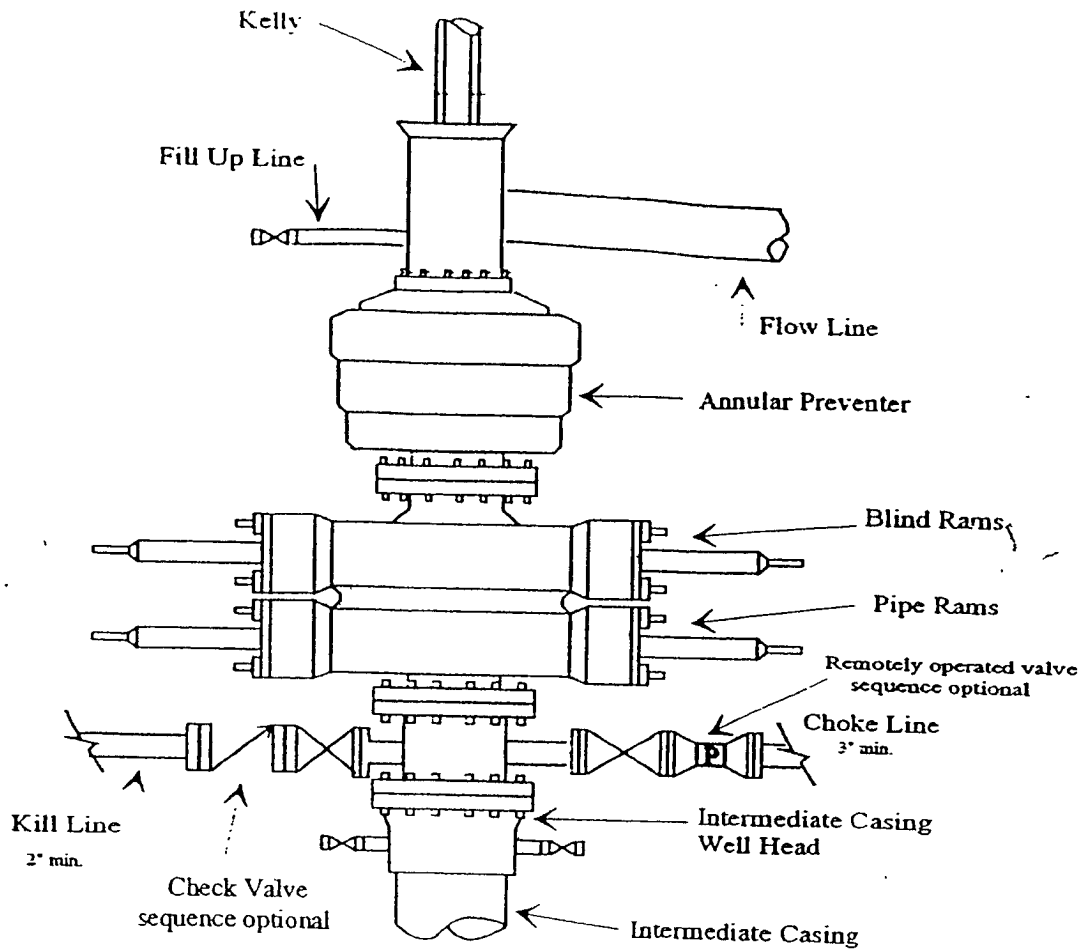
Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System
Schematic

Annular with Double Ram Preventer Stack

Yates Petroleum Corporation
Jenkins AXI Federal Com. #1
800' FSL and 1650' FWL
Section 6-T9S-R34E
Lea County, New Mexico
Exhibit "B"



Typical 5,000 psi choke manifold assembly with at least these minimum features

