

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised March 17, 1999  
Instructions on back

DISTRICT II  
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

RECEIVED

Submit to appropriate District Office

State Lease - 6 Copies  
Fee Lease - 5 Copies

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

PO BOX 2088  
Santa Fe, NM 87504-2088

JUN 07 2004

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 8750

005-ARTESIA

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30- 005-63661
<sup>4</sup> Property Code	<sup>5</sup> Property Name Vanilla "AZA" State	<sup>6</sup> Well No. 2

<sup>7</sup> Surface Location

UL or lot no. C	Section 28	Township 9S	Range 26E	Lot Idn	Feet from the 1000'	North/South Line North	Feet from the 1980'	East/West Line East	County Chaves
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<sup>8</sup> 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
<sup>9</sup> Proposed Pool 1 Undesignated Foor Ranch Pre Permian					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3806'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 6650'	<sup>18</sup> Formation Basement	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1100'	550 sx	Surface
7 7/8"	5 1/2"	15.5#	6285'	550 sx	**

\*\*Cement to cover all oil, gas and waterbearing zones. *& Glorieta formation*

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new producti  
Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Basement and intermediate formations. Approximately 900' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-1100' FWGel/Paper/LCM; 1100-4300' Brine; 4300-6285' Starch/Salt Gel

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

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

Signature:

Printed name: Robert Asher / Land Department

Title: Regulatory Agent

Date:

05/18/04

Email: debbiec@ypcnm.com

Phone: (505) 748-4376

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: JUN 14 2004

Conditions of Approval

Attached ☐

Expiration Date:



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
Acting Director  
Oil Conservation Division

11 June 2004

Yates Petroleum Corp.  
105 South 4th Street  
Artesia, New Mexico 88210

RE:

Pit Permit - Bittersweet AOZ State Com # 2  
Vanilla AZA State # 2

Unit N SEC-28 T-9S R-26E  
Unit C SEC- 28 T-9S R-26E

The Oil Conservation Division of Artesia is in receipt of your application for permit to drill. Construction of a pit(s) for the purpose of drilling is approved under your current "General Plan" with the following provisions:

1. Construction and closing of pit(s) must meet the criteria of Rule 19.15.2.50 and the Pit Guidelines.
2. The pit is not located in any watercourse, lakebed, sinkhole, playa lake, or wetland.
3. Notice is to be given to the OCD prior to construction of the pit(s).
4. Pit(s) must meet all requirements of approved plan.
5. Liner must be a minimum of 12 mil. woven.
6. Depth to groundwater may cause the pit's contents and the liner to be removed and disposed of in a manner approved by the Division.
7. Pit encapsulations must meet all specific criteria including, but not limited to:
  - A. Site evaluation
  - B. Amount of and type of cover
  - C. Drill cuttings will be sampled as per guidelines. Notify OCD 48 hours prior to any sampling event
  - D. In the event that the integrity of the pit lining is breached in a manner such that soil contamination would result, the contents of the pit will have to be disposed of in an approved OCD facility.
8. The Division may attach additional conditions to any permit upon a finding that such conditions are necessary to prevent the contamination of fresh water, or to protect public health or the environment. (19.15.2.50.C.3.G.1.)

If I can be of any further assistance, please feel free to call (505) 748-1283 ext. 109.

Sincerely,

Van Barton

District I  
1625 N. French Dr., Hobbs, NM 88240

District II  
811 South First, 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 August 15, 2000

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name <b>Undesignated Foor Ranch Pre Permian</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Vanilla AZA State</b>	<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	<sup>9</sup> Elevation <b>3759'</b>

<sup>10</sup> Surface Location

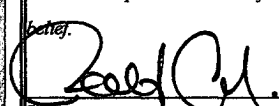
UL or lot no. <b>C</b>	Section <b>28</b>	Township <b>9S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>1000</b>	North/South line <b>North</b>	Feet from the <b>1980</b>	East/West line <b>West</b>	County <b>Chaves</b>
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<sup>11</sup> Bottom Hole Location 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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<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<div><div>1000'</div><div>1980'</div><div>LG-7642</div></div>	<div><div><sup>17</sup> OPERATOR CERTIFICATION</div><div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div><div></div><div>Signature</div><div><b>Robert Asher</b></div><div>Printed Name</div><div><b>Regulatory Agent</b></div><div>Title</div><div><b>05/18/2004</b></div><div>Date</div></div>
	<div><div><sup>18</sup> SURVEYOR CERTIFICATION</div><div>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.</div><div>REFER TO ORIGINAL PLAT</div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor:</div><div>Certificate Number</div></div>

DISTRICT I  
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II  
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DISTRICT III  
1000 Elia Brazos Ed., Aztec, NM 87410

DISTRICT IV  
2048 South Pacheco, Santa Fe, NM 87505

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Energy, Minerals and Natural Resources Department

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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
		Undesignated Foor Ranch Pre Permian
Property Code	Property Name	Well Number
	VANILLA "AZA" STATE	2
OGEID No.	Operator Name	Elevation
025575	YATES PETROLEUM CORPORATION	3759

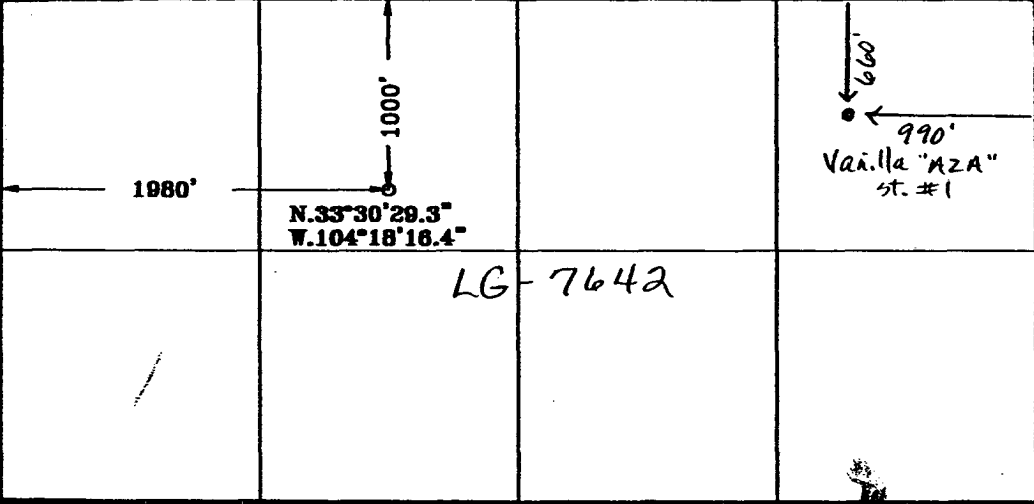
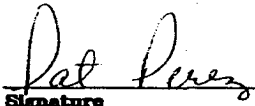
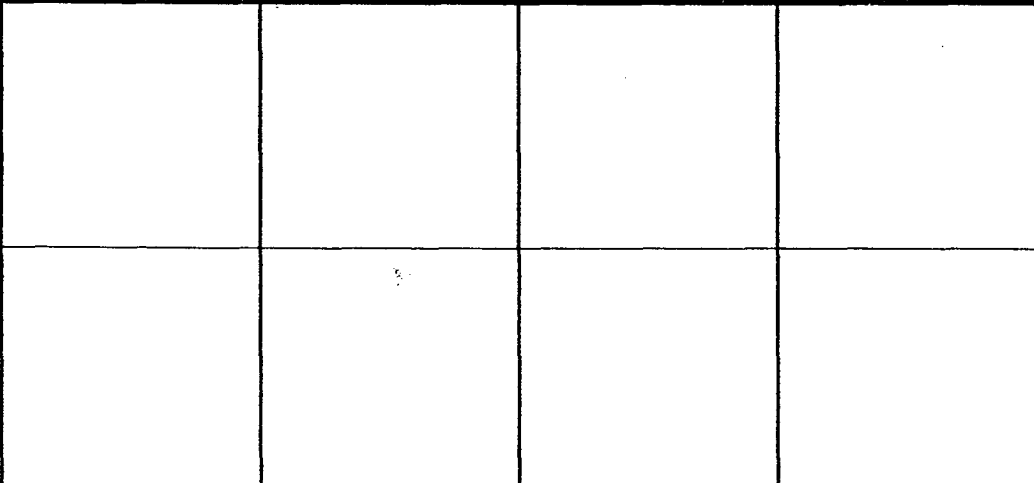
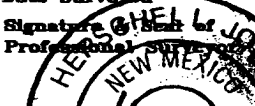
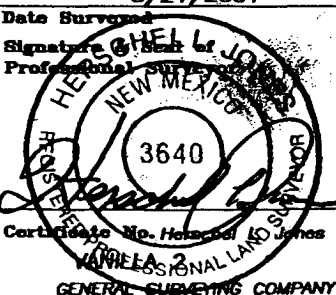
Surface Location

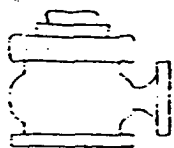
UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
C	28	9S	26E		1000	NORTH	1980	<del>EAST</del> WEST	CHAVES

Bottom Hole Location If Different From Surface

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

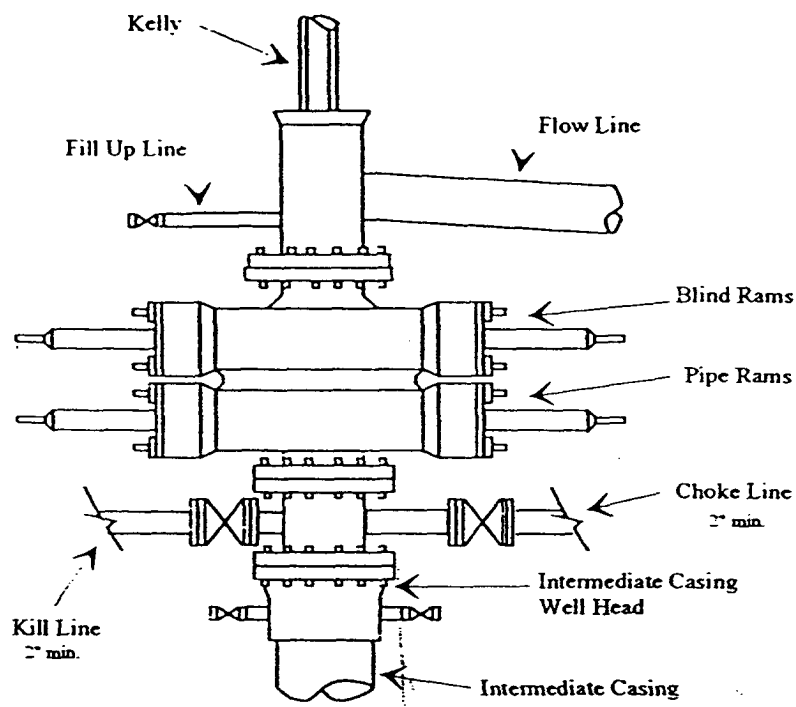
	<b>OPERATOR CERTIFICATION</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature  Pat Perez Printed Name  Regulatory Agent Title  6-15-01 Date
	<b>SURVEYOR CERTIFICATION</b>  I hereby certify that the well location shown on 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.  5/21/2001 Date Surveyed  Signature Professional Surveyor  Certificate No. H-10000 Jones RLS 3640 GENERAL SURVEYING COMPANY



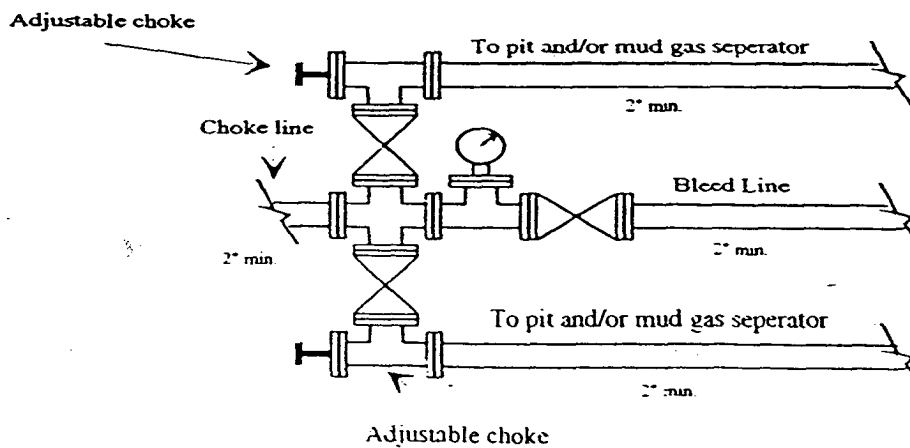
# Yates Petroleum Corporation

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



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  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

June 4, 2004

Oil Conservation Division  
District II Office  
1301 West Grand Ave.  
Artesia, NM 88210

RE: Water Well Information  
Vanilla AZA State #2  
Section 28, T9S-R26E  
Chaves County, New Mexico

The State Engineers Web Site has been accessed for the captioned well. There were no records found of ground water depth, water well, or any indication of any surface water in the area surrounding this well location.

Thank you,  
Yates Petroleum Corporation

A handwritten signature in cursive script that reads 'Debbie L. Caffall'.

Debbie L. Caffall  
Regulatory Technician

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



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SECRETARY  
DENNIS G. KINSEY  
TREASURER

June 4, 2004

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

RE: Vanilla AZA State #2  
1000' FNL and 1980' FEL  
Section 28 T9S-R26E  
Chaves County, NM

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H<sub>2</sub>S anticipated from the surface to the basement formation to met the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

A handwritten signature in cursive script that reads 'Debbie L. Caffall'.

Debbie L. Caffall  
Regulatory Technician