

District I
1625 N. French Dr., Hobbs, NM 88240
District II
301 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

Form C-101
March 4, 2004

Oil Conservation Division
1220 South St. Francis Dr.
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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		RECEIVED MAY 26 2006		² OGRID Number 025575	
³ Property Code		⁴ Property Name Pulsifer		⁵ API Number 30 - 015 - 23593	
				⁶ Well No. 1	

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
K	15	19S	26E		1980'	South	1980'	West	Eddy

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
⁹ Proposed Pool 1 Wc; miss GAS					¹⁰ Proposed Pool 2				

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	15	19S	26E		1980'	South	1980'	West	Eddy
Depth to ground water 80'			Distance from nearest fresh water well .7 of mile			Distance from nearest surface water .9 of mile.			
¹¹ Work Type Code Re-Entry		¹² Well Type Code G		¹³ Cable/Rotary Pulling Unit		¹⁴ Lease Type Code P		¹⁵ Ground Level Elevation 3335'	
¹⁶ Multiple N		¹⁷ Proposed Depth 9830'		¹⁸ Formation Wildcat Mississippian		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
17 1/2"	13 3/8"	55.5#	355'	450 sx	In Place
12 1/4"	8 5/8"	24#	1630'	620 sx	In Place
7 7/8"	5 1/2"	15.5#+17#	9834'	750 sx	TOC-2400'

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.

SEE ATTACHED PAGE 2. (Re-Entry)

23 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 <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: <i>Debbie L. Caffall</i>		Approved by:	
Printed name: Debbie L. Caffall		Title: BRYAN G. ARANT DISTRICT II GEOLOGIST	
Title: Regulatory Agent		Approval Date: MAY 26 2006 Expiration Date: MAY 26 2007	
E-mail Address: <i>debbiec@ypcn.com</i>			
Date: May 26, 2006	Phone: (505) 748-4376	Conditions of Approval: Attached <input type="checkbox"/> <i>Verify TOC by Temp Survey</i> <i>or CBL</i>	

YATES PETROLEUM CORPORATION
Pulsifer AVR #1 (Re-entry)
Drilling Prognosis
Page 2

This well was originally drilled by American Public Energy Company as the Spencer Trust No. 1. It was spudded on July 7, 1981 and was plugged and abandoned September 9, 1981.

Yates's plan is to re-enter the well with a pulling unit and reverse unit to drill out cement plugs in the 8 5/8" casing and the 7 7/8" open hole to 9,834'. The well will be conditioned and a string of 5 1/2" casing will be run to the original TD of 9,834' and cemented with a 13 ppg cement slurry up to +/- 2,400'. (13 ppg, 1.61 yield approx. 1,100 sx of cement) This well will be completed with a pulling unit. Possible formations to be completed include the Morrow, Atoka, Strawn, Canyon, Upper Penn and the WC.

MUD PROGRAM: 0-9,834' Cut Brine Weight: 9.2-10.2 (increase weight as needed)
Vis: 35, <10-15 cc water loss.

CASING PROGRAM: 5 1/2" casing will be run to the original TD of 9,834'.

CEMENTING PROGRAM: 600 sacks of 13lb Super H or Super C slurry, circulate up to 2400' use filler slurry weight 12.4 to 12.6 per gallon.

BOPE PROGRAM: 3000 # BOPE will be nipped up on 13 3/8" casing.

No H2s is anticipated.

District I
1625 N. French Dr., Hobbs, NM 88240 Energy, Minerals & Natural Resources Department
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM
District IV
1220 S. St. Francis Dr., Santa Fe, NM

State of New Mexico

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

¹ API Number 30-		² Pool Code 97338		³ Pool Name (Wildcat Mississippian)	
⁴ Property Code		⁵ Property Name Pulsifer AVR			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3335'

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	15	19S	26E		1980	South	1980	West	Eddy

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
W/2 320									

¹² Dedicated Acres
W/2 320

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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Debbie L. Caffall</i></p> <p>Signature</p> <p>Debbie L. Caffall</p> <p>Printed Name</p> <p>Regulatory Agent</p> <p>Title</p> <p>May 8, 2006</p> <p>Date</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><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>	

/ MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

Operator AMERICAN PUBLIC ENERGY COMPANY			Lease Spencer Spence Trust		Well No. 1
Unit Letter K	Section 15	Township T-19-S	Range R-26-E	County Eddy	
Actual Footage Location of Well: 1980' feet from the South line and 1980' feet from the West line					
Ground Level Elev. 3335'	Producing Formation Morrow	Pool Undesignated		Dedicated Acreage: 320 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 Commission.

CERTIFICATION

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

Name
William Hall

Position
Agent

Company
American Public Energy Co.

Date
December 22, 1980

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

* **EOSWELL** *

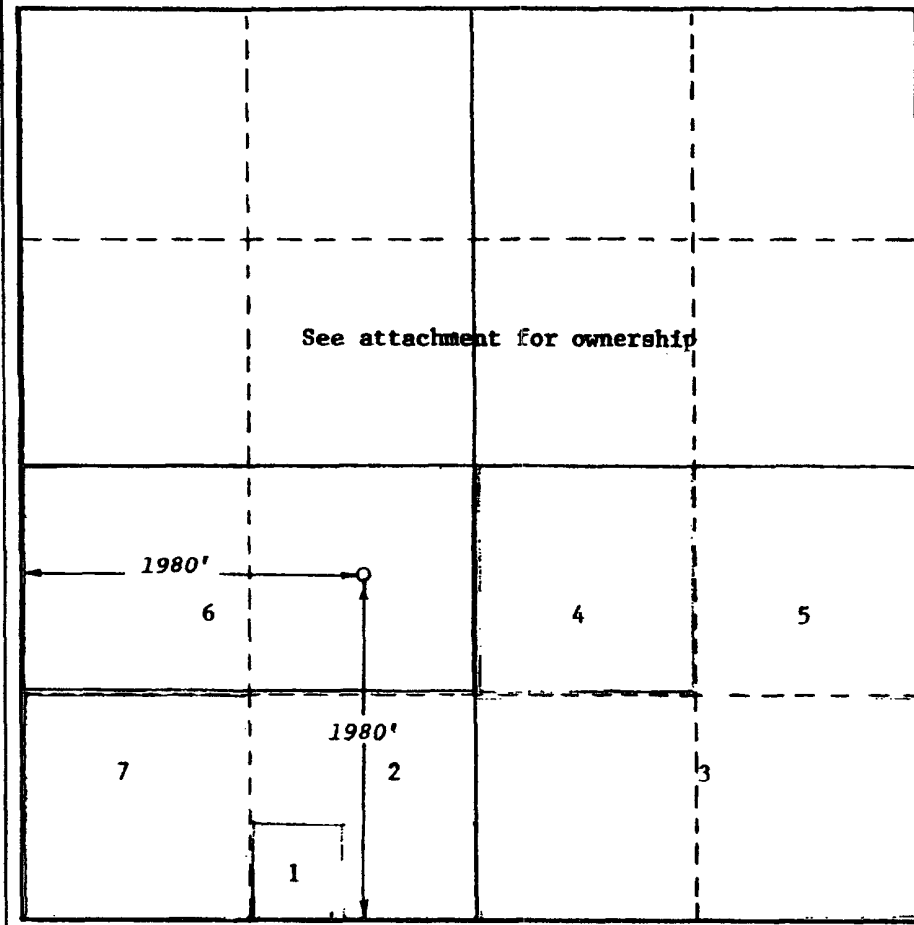
Date Surveyed

Gary D. Boswell

Registered Professional Engineer and/or Land Surveyor

Gary D. Boswell
Certificate No.

6689



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

WELL NAME: Spencer Trust ADD #1

FIELD: Wildcat

LOCATION: Sec 15, 19S-26E 1980' FSL & 1980' FWL

Eddy County NM

GL: 3335"

ZERO:

KB:

SPUD DATE: 07/31/81

COMPLETION DATE: 9/9/81

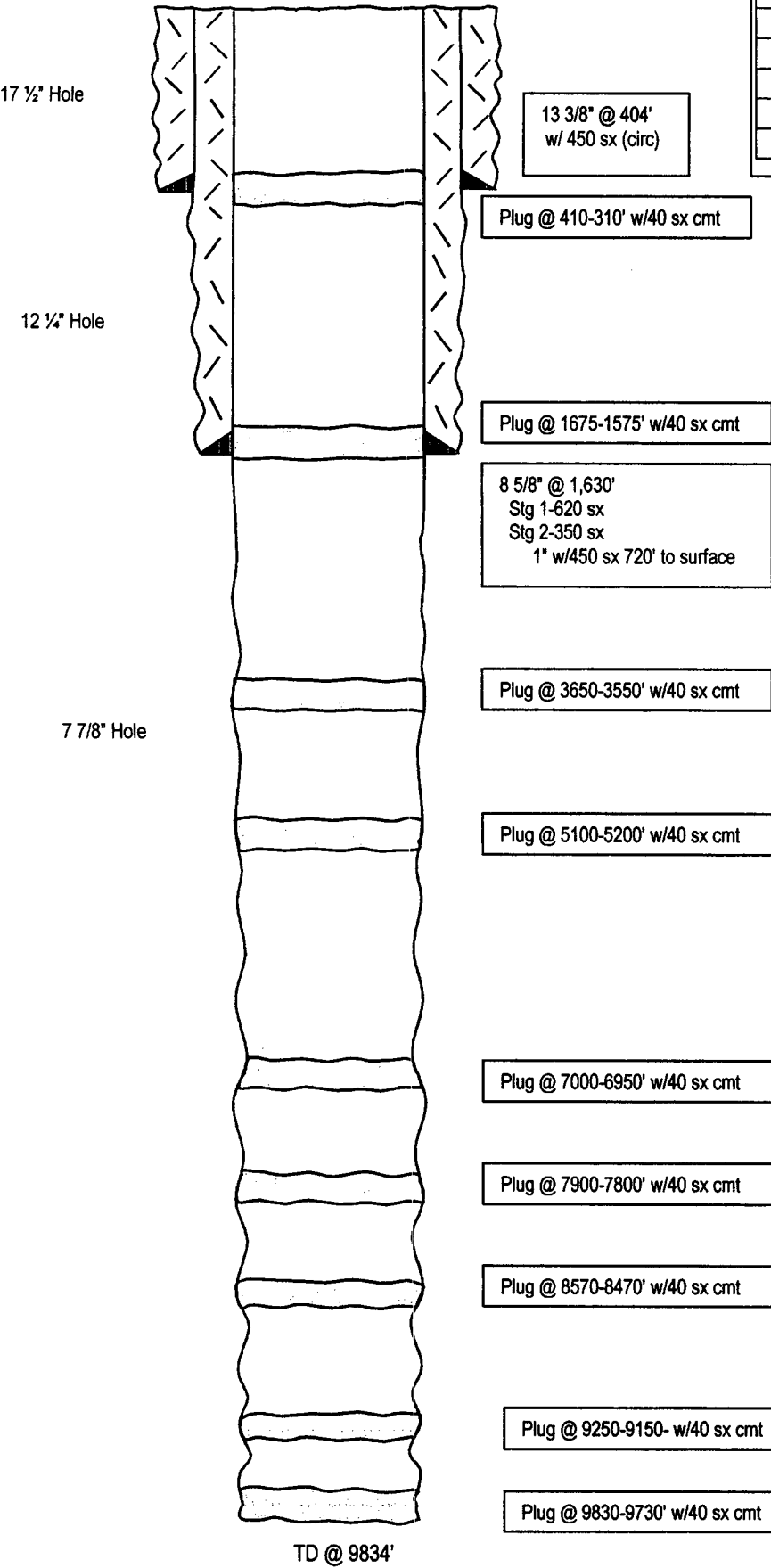
COMMENTS: P & A

9/28/81

30-015-23593

CASING PROGRAM

13 3/8" 54.5# K-55	355'
8 5/8" 24# J-55	1630'



Before

TOPS	
San Andres	1315'
Yeso	2928'
Bone Spring	4630'
Bone Spring Sd	6571'
Wolfcamp	6956'
U Penn	7846'
Canyon	8260'
Strawn	8516'
Atoka	9042'
Morrow Lm	9197'
Morrow Cl	9446'
Chester	9768'

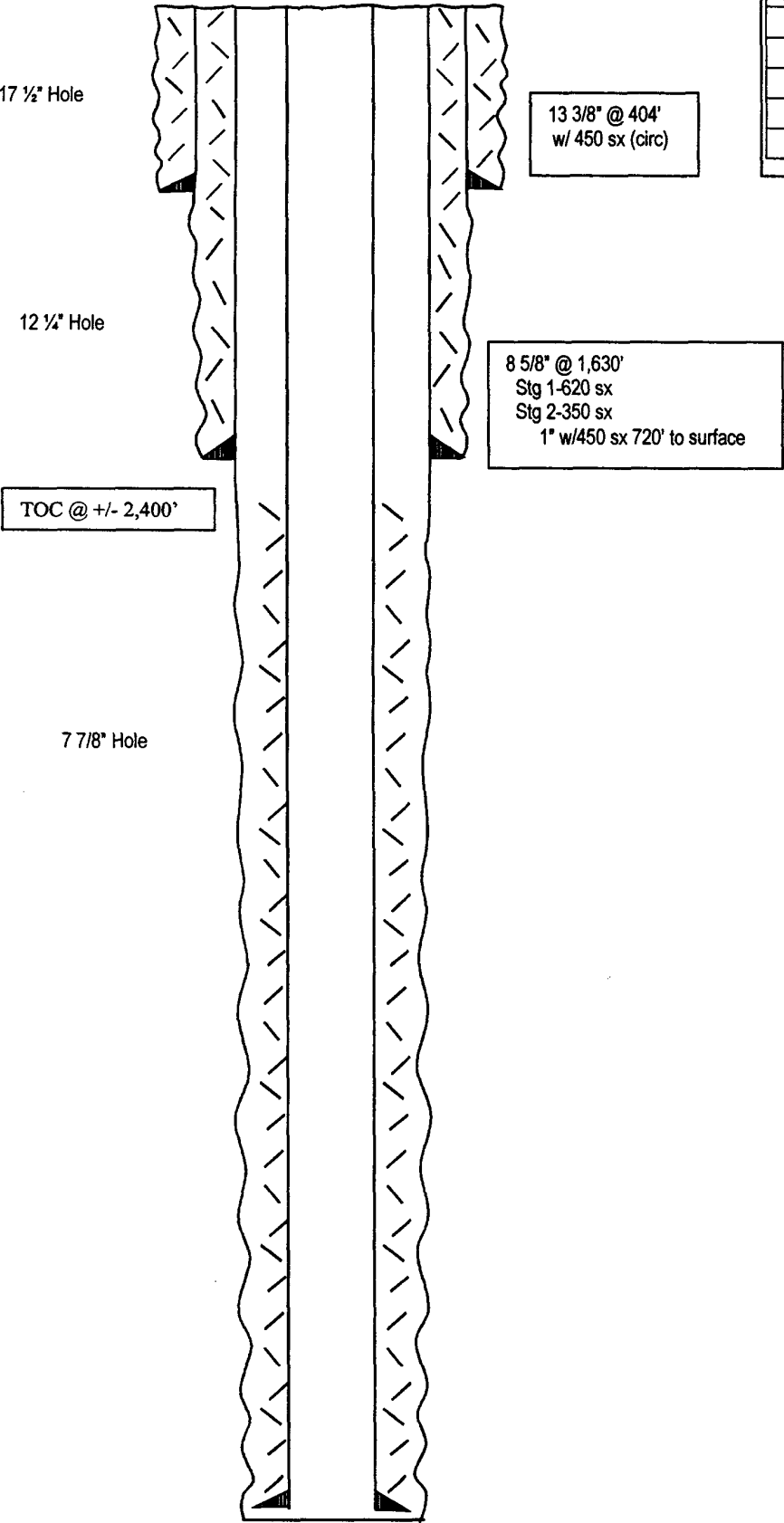
Not to Scale
11/18/04
CAM/ MH

WELL NAME: Spencer Trust ADD #1 FIELD: Wildcat
LOCATION: Sec 15, 19S-26E 1980' FSL & 1980' FWL Eddy County NM
GL: 3335" ZERO: KB:
SPUD DATE: 07/31/81 COMPLETION DATE: 9/9/81
COMMENTS: P & A 9/28/81
30-015-23593

CASING PROGRAM

13 3/8" 54.5# K-55	355'
8 5/8" 24# J-55	1630'
5 1/2" 15.5-17 #/ft LT&C	9,834'

After



13 3/8" @ 404'
w/ 450 sx (circ)

8 5/8" @ 1,630'
Stg 1-620 sx
Stg 2-350 sx
1" w/450 sx 720' to surface

TOC @ +/- 2,400'

TOPS	
San Andres	1315'
Yeso	2928'
Bone Spring	4630'
Bone Spring Sd	6571'
Wolfcamp	6956'
U Penn	7846'
Canyon	8260'
Strawn	8516'
Atoka	9042'
Morrow Lm	9197'
Morrow Cl	9446'
Chester	9768'

TD @ 9834'

Not to Scale
11/18/04
CAM/ MH