

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 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		² OGRID Number 025575
³ Property Code 36039		⁴ Property Name Baccarat BJC State Com.
		⁵ API Number 30 - 015 - 24067
		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	5	24S	27E		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 Wildcat Bone Spring					¹⁰ Proposed Pool 2				

Drilling Pit Location and Other Information

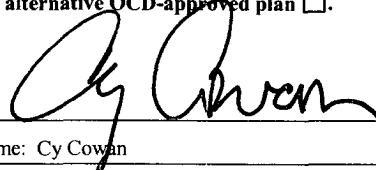
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	5	24S	27E		1980	South	1980'	West	Eddy
Depth to ground water 37'					Distance from nearest fresh water well 1 mile		Distance from nearest surface water 1.1 miles		
¹¹ Work Type Code E		¹² Well Type Code O		¹³ Cable/Rotary R		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 3209'	
¹⁶ Multiple N		¹⁷ Proposed Depth 6000'		¹⁸ Formation Bone Spring		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
20"	16"	65#	409'	350 sx	In Place
14 3/4"	10 3/4"	40.5#	2110'	2110 sx	In Place
9 7/8"	7 5/8"	33.7# + 39#	6000'	1950 sx	In Place

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.

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 NMOC guidelines <input type="checkbox"/> , a general permit X or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: 		Approved by:	
Printed name: Cy Cowan		Title: BRYAN G. ARRANT DISTRICT II GEOLOGIST	
Title: Regulatory Agent		Approval Date: SEP 15 2006	Expiration Date: SEP 15 2007
E-mail Address: debbiec@ypcn.com			
Date: September 13, 2006	Phone: (505) 748-4372	Conditions of Approval: Attached <input type="checkbox"/>	

YATES PETROLEUM CORPORATION
Baccarat BJG State Com. #1 (Re-entry)
1980' FSL and 1980' FWL
Section 5-T24S-R27E
Eddy County, New Mexico
Prognosis

This well was originally drilled by Amoco Production Company as the State MF #1. It was spudded April 6, 1982 and was P/A'd December 23, 1982.

Yates Petroleum Corporation proposes to re-enter the captioned well with a pulling unit and drill out two cement plugs and cast iron bridge plug in the 7 5/8" casing down to a cast iron bridge plug at +/-6000'. All plugs are inside the casing with no open hole to deal with. All casing strings are cemented to the surface. We plan to test the Delaware and the Bone Spring Formations.

MUD PROGRAM: 0-6000' Brine Weight: 8.45.

CASING PROGRAM: Will use existing 7 5/8" therefore no new casing will be run.

CEMENTING PROGRAM: No new cement will be needed.

BOPE PROGRAM: 3000 # BOPE will be nipped up on 10 3/4" in casing.

No H2s is anticipated.

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DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1006 Rio Brancos Rd., Aztec, NM 87410

DISTRICT IV
2046 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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 Bone Spring
Property Code	Property Name Baccarat BJJ State Com.	Well Number 1
OGHD No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3208.9

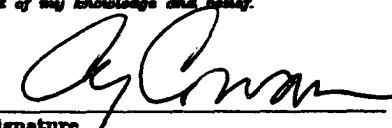
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	5	24S	27E		1980'	South	1980'	West	Eddy

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 40	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

NM-106907						OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Cy Cowan Printed Name Regulatory Agent Title September 14, 2006 Date
VA6407						
1980						
						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. REFER TO ORIGINAL PLAT. Date Surveyed Signature & Seal of Professional Surveyor
						Certificate No. Herschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-128
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section

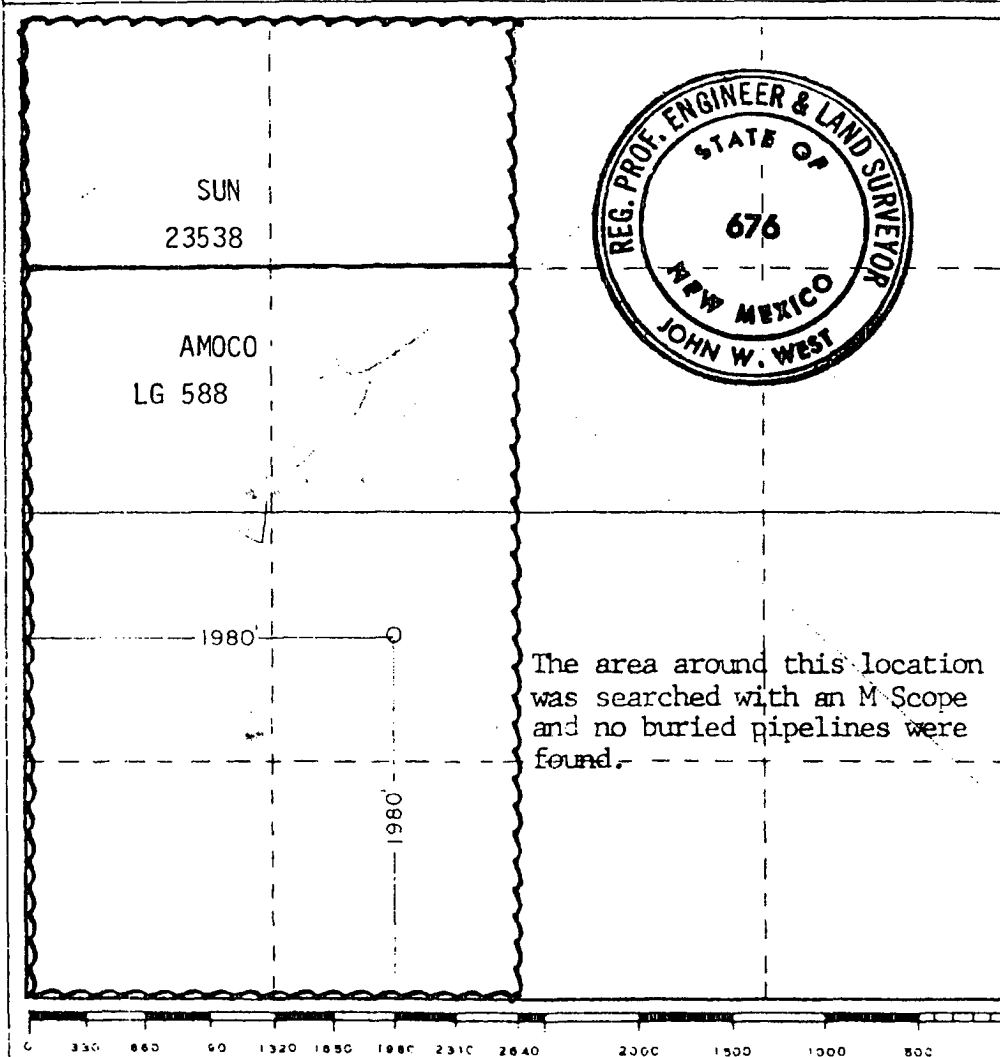
Operator Amoco Production Co.			Lease State ME Com			Acres 1		
Tract Letter K	Section 5	Township 24 South	Range 27 East	County Eddy				
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1980 feet from the South line and 1980 feet from the West </div>								
Ground Level Elev. 3208.9'		Producing Formation Morrow		Pool Wildcat Morrow			Estimated Acreage 320	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 communitization

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 Mark Randolph
 Position Assist. Admin. Analyst
 Company Amoco Production Company
 Date 1-13-82

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

Date Surveyed Dec. 19, 1981

Registered Professional Engineer and/or Land Surveyor

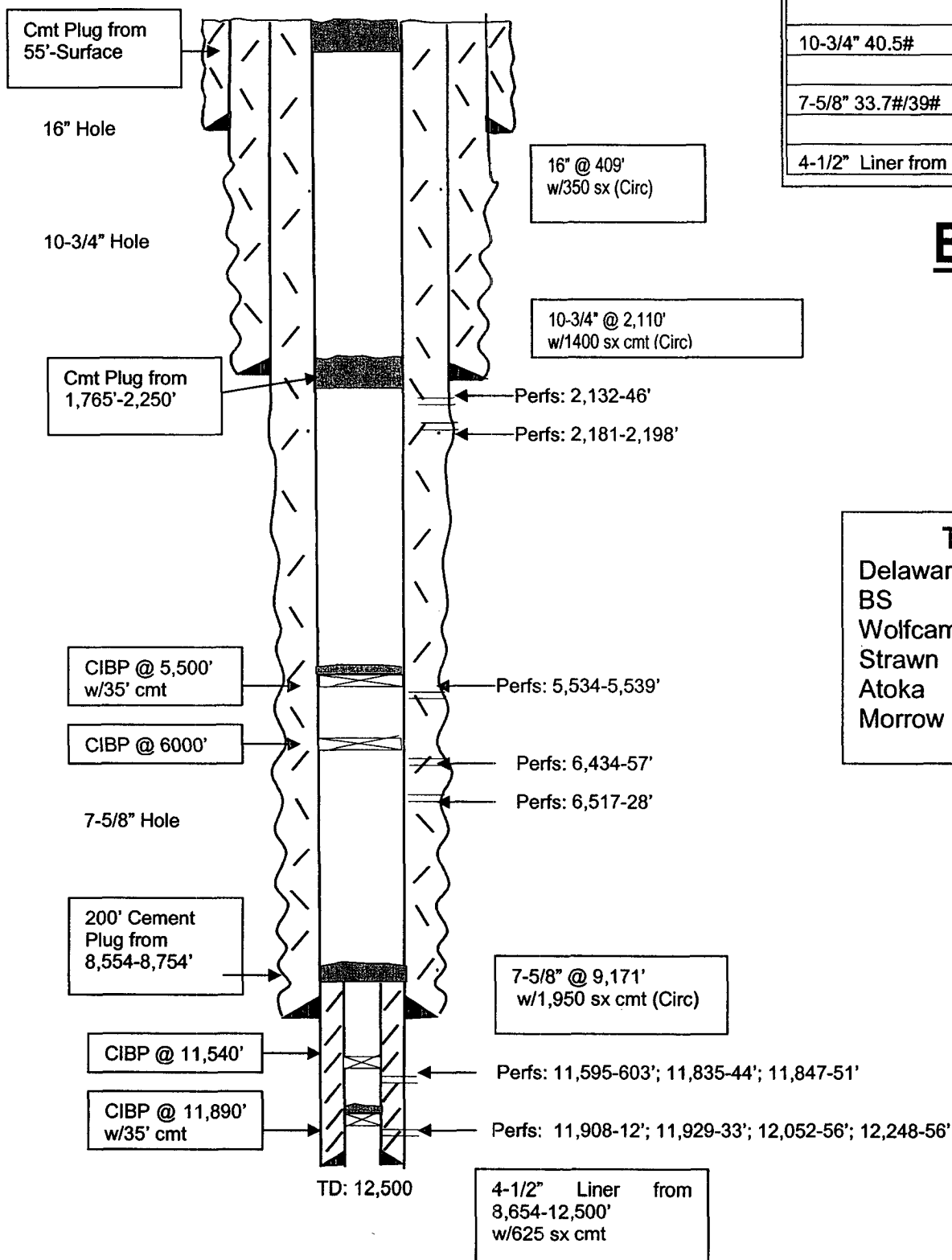
John W. West
 Certificate No. **JOHN W. WEST 676**
PATRICK A. ROMERO 6663
Ronald J. Eidson 3239

WELL NAME: State MF #1 FIELD: Wildcat Delaware
 LOCATION: 1980' FSL & 1,980' FWL of Section 5-24S-27E Eddy Co., NM
 GL: 3,209 ZERO: _____ KB: _____
 SPUD DATE: 4/6/82 COMPLETION DATE: _____
 COMMENTS: API No.: 30-015-24067

CASING PROGRAM

16" 65#	409'
10-3/4" 40.5#	2,110'
7-5/8" 33.7#/39#	9,171'
4-1/2" Liner from 8,654-12,500	12,500'

Before



TOPS

Delaware Sand	2,125'
BS	5,495'
Wolfcamp	8,862'
Strawn	10,289'
Atoka	10,585'
Morrow	11,456'

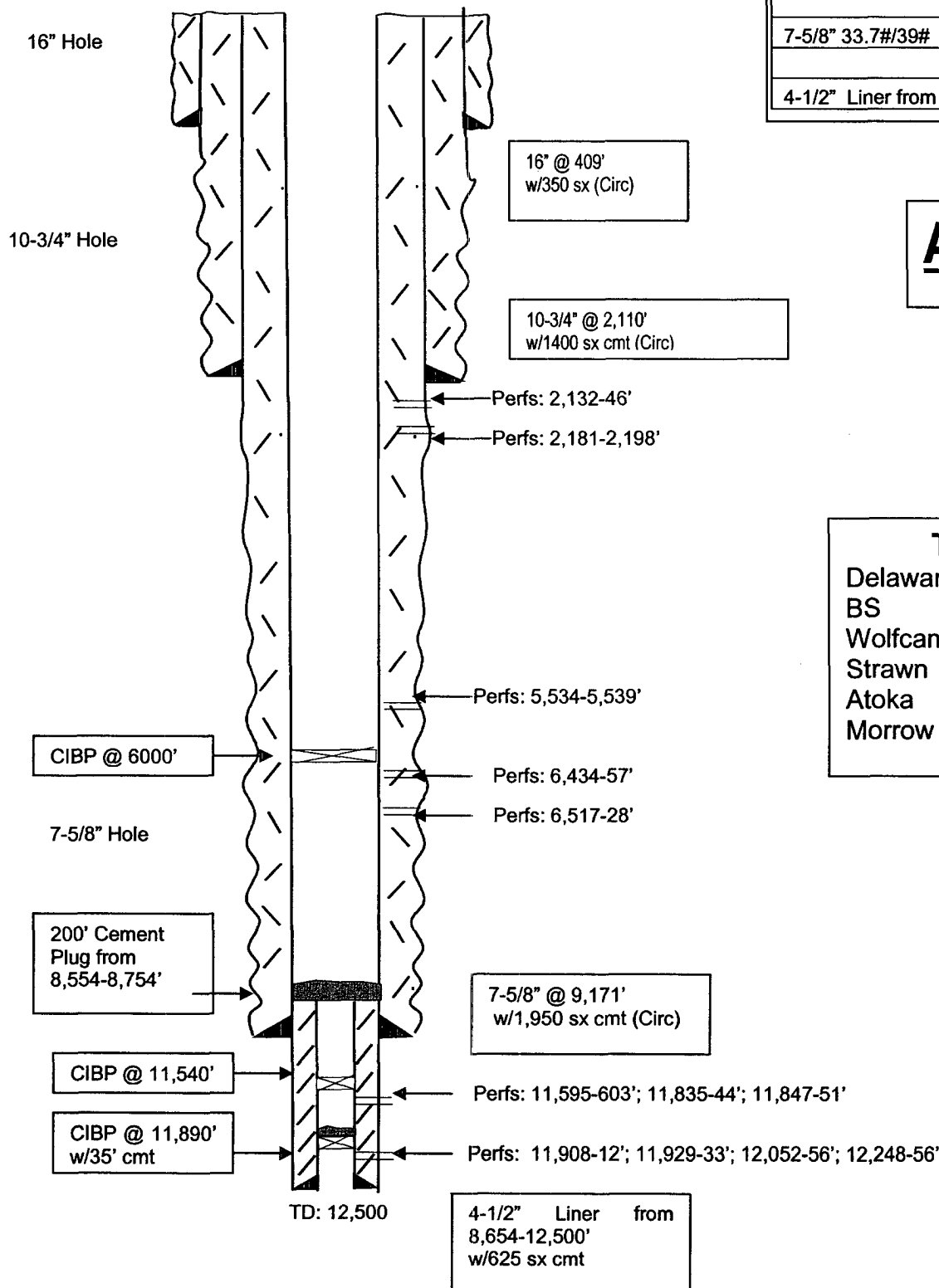
Not to Scale

6/15/06
DC/Hill

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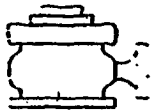


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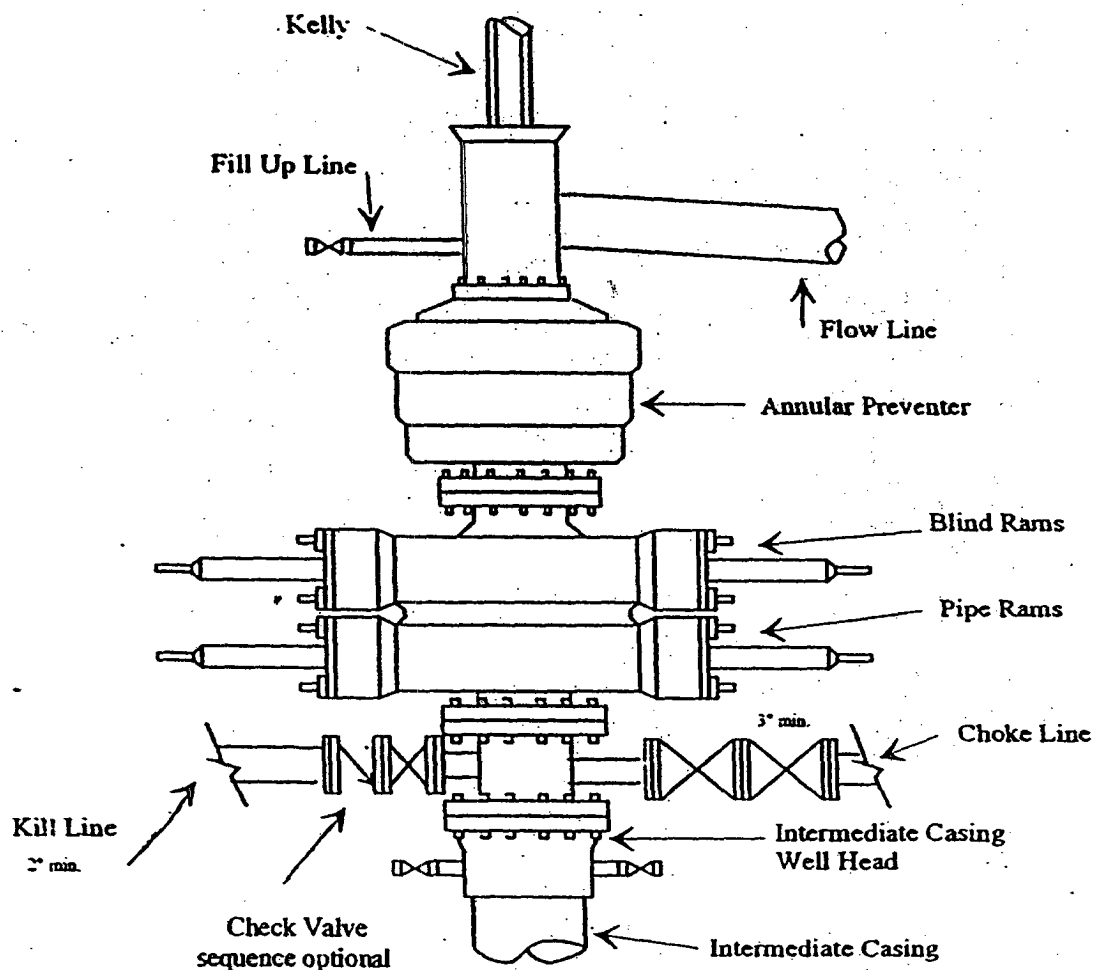
Not to Scale
 6/29/06
 DC/Hill



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

