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 May 3 2007
OCD ANTESQUENT TO appropriate District Office

1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

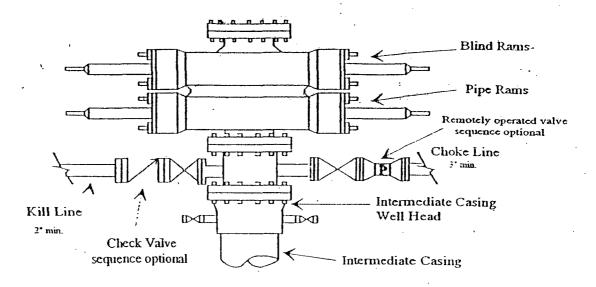
APPLICATION FOR PERMIT TO DRILL,	RE-ENTER, DEEPEN,	PLUGBACK,	OR ADD A ZONE
Operator Name and Address		200	GRID Number

ALLL	ICAII					TO-TOTA IT	UIX, D		, I LUUDA			DAZONE	
Operator Name and Address Yates Petroleum Corporation							OGRID Number 025575				r		
		105 S. 4 th Street Artesia, NM 88210					³ API Number 30-015-22789			89			
-	rty Code 21398			-	erty Name	no Livia Par							
⁹ Proposed Pool 1						an suckson	T	and the state of t	10 Prope	osed Pool 2		•	
			Vildcat Cisco										
⁷ Surface Location													
UL or lot no.	Section 26	Township 17S	Range 25E	Lot Idn Feet fr			North/S	outh line orth	Feet from the 1980	East/Wes East		County Eddy	
8 Proposed Bottom Hole Location If Different From Surface													
UL or lot no.	Section	Township	Range	Lot I		eet from the	1	outh line	Feet from the	East/Wes	East/West line Coun		
		<u> </u>		Ad	ditional	Well Inf	ormati	on .					
	Type Code A		12 Well Type Coo	de	13	Cable/Rotary N/A		14	¹⁴ Lease Type Code P			15 Ground Level Elevation 3388'GR	
	ultiple Y		¹⁷ Proposed Dep N/A	th		⁸ Formation Chester			19 Contractor N/A		²⁰ Spud Date ASAP		
Depth to Grou	ındwater			Distance	Distance from nearest fresh water well				Distance from nearest surface water				
Pit: Liner:	Synthetic	m	ils thick Clay	Pit V	olume:	_bbls	D	rilling Meth	nod:				
Close	d-Loop Sys	stem 🛚	21						☐ Brine ☐ Die	sel/Oil-bas	ed 🔲	Gas/Air	
²¹ Proposed Casing and Cement Program													
Hole Size Casing Size Casing weight/f				g weight/foo		Setting Depth Sacks of Cement Estimated			Estimated TOC				
					17	N PLACE							
					11	TLACE							
 Describe the proposed program. If this application is to DEEPEN or PLUG BAO Describe the blowout prevention program, if any. Use additional sheets if necessar 							ve the dat	a on the pr	esent productive zo	one and pro	posed 1	new productive zone.	
Describe the	blowout pr	evention prog	gram, if any. Use	e additiona	il sheets if no	ecessary.							
Yates Petroleum Corporation plans to recomplete this well as follows: Release packer and POOH with tubing, laying down all but +/-6500'. Set a 4-1/2" composite flow through plug at 7980'. Perforate Cisco 6516'-6522' (14), 6574'-6576' (6) and 6583'-6586' (8). Stimulate as needed.								vn all but +/- -6586' (8).					
Summate a	s needed.												
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, a general permit, or						OIL CONSERVATION DIVISION							
						Approved by:							
an (attached) alternative OCD approved plan .						BRYAN G. ARRANT							
Signatule: June Hurria						DISTRICT II GEOLOGIST							
Printed name: Tina Huerta					Title:		MAV	0 4 0005		A .	10V a 4		
Title: Regulatory Compliance Supervisor						Appro	oval Date:	MAI	0 4 2007 E	xpiration D	ate:	AY 0 4 2008	
E-mail Address: tinah@ypcnm.com Date: May 2, 2007 Phone: 505-748-4168				Condi	Conditions of Approval Attached								
Dutc. 1414y 2,	2007		1 Holle, 505-	, 10 7100		Continuons of Approval Attached []							

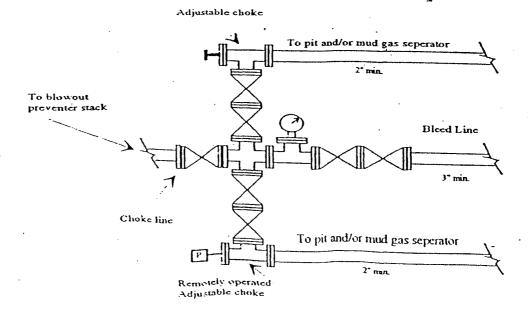
Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic





Typical 3,000 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

May 2, 2007



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

Re:

Ingram Jackson BV #7 Section 26-T17S-R25E Eddy County, New Mexico H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Cisco formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta

Regulatory Compliance Supervisor

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 MAY 3 Revised October 12, 2000

Revised October 12, 2000

Appropriate District Office

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 State Lease - 4 Copies Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number ² Pool Code				³ Pool Na	me				
30	0-015-2278	39				Wildcat Cisco				
4 Property	Code		⁵ Property Name							
21398	8		Ingram Jackson BV							
⁷ OGRID	No.	····	8 Operator Name							
02557	5		Yates Petroleum Corporation 3388'C							
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line				
G	26	17S	25E		1980	North	1980	East	Eddy	
	<u> </u>		11 Bo	ottom Ho	le Location I	f Different From	m Surface		······································	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
² Dedicated Acre	es 13 Joint o	r Infill 14 C	onsolidation	Code 15 Or	der 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.

16	1980'AL	1980'E	17 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. May 2, 2007 Signature Date Tina Huerta Printed Name
			18 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. Date of Survey Signature and Seal of Professional Surveyor: