

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

May 27, 2004

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

☐ 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, New Mexico 88210		² OGRID Number 025575
		³ API Number 30-005-63941
⁴ Property Code 28167	⁵ Property Name Vanilla AZA State	⁶ Well No. 2
⁹ Proposed Pool 1 Undesignated Floor Ranch, Pre-Permian 76730		¹⁰ Proposed Pool 2

⁷ 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 West	County Chaves
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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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3759'
¹⁶ Multiple N	¹⁷ Proposed Depth 6650'	¹⁸ Formation Basement	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP
Depth to Groundwater 99'		Distance from nearest fresh water well 13,600'		Distance from nearest surface water 2600'
Pit: Liner: Synthetic XX 12_mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	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		

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.

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' FW Gel/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 for operational.

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

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 an (attached) alternative OCD-approved plan ☐.

Signature:

Printed name: Debbie L. Caffall

Title: Regulatory Agent

E-mail Address:

Date: 6/1/07

Phone: (505) 748-4376

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date:

JUN 05 2007

Expiration Date:

JUN 05 2008

Conditions of Approval Attached ☐

PREVIOUSLY APPROVED

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1000 Rio Brazos Rd., Aztec, NM 87410

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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		² Pool Code		³ Pool Name Undesignated Four Ranch, Pre-Permian	
⁴ Property Code 28167		⁵ Property Name VANILLA AZA STATE			⁶ Well Number 2
⁷ OGRID No. 025575		⁸ Operator Name YATES PETROLEUM CORPORATION			⁹ Elevation 3759

¹⁰ 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 WEST	County CHAVES
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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 N2	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.

				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.	
				Signature: <u>Debbie L. Caffall</u> Date: <u>6/1/07</u> Printed Name: <u>Debbie L. Caffall</u> Title: <u>Regulatory Agent</u>	
				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: _____ REFER TO ORIGINAL PLAT Certificate Number: _____	

DISTRICT I
1626 N. French Dr., Tulsa, NM 86340

DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2045 South Pacheco, Santa Fe, NM 87505

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

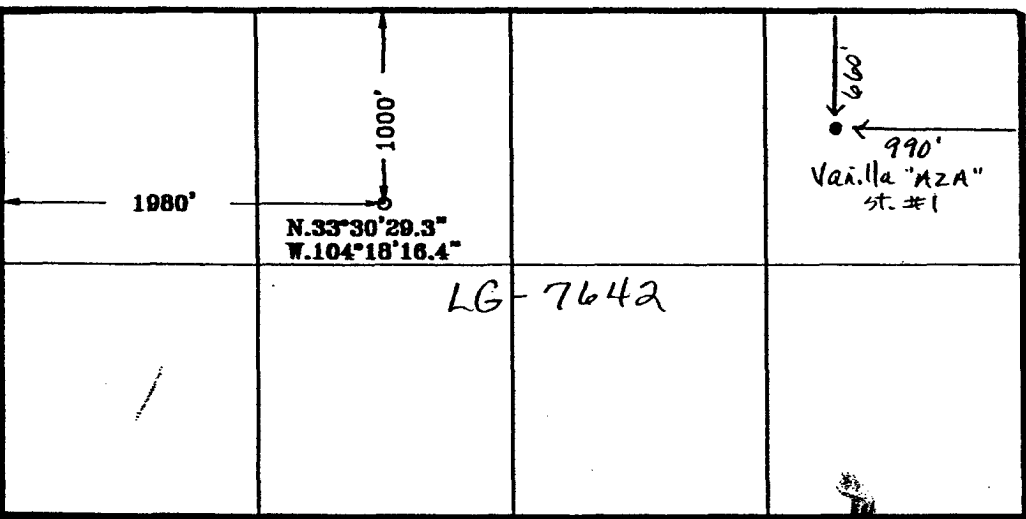
Surface Location

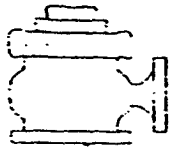
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	28	9S	26E		1000	NORTH	1980	EAST West	CHAVES

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	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

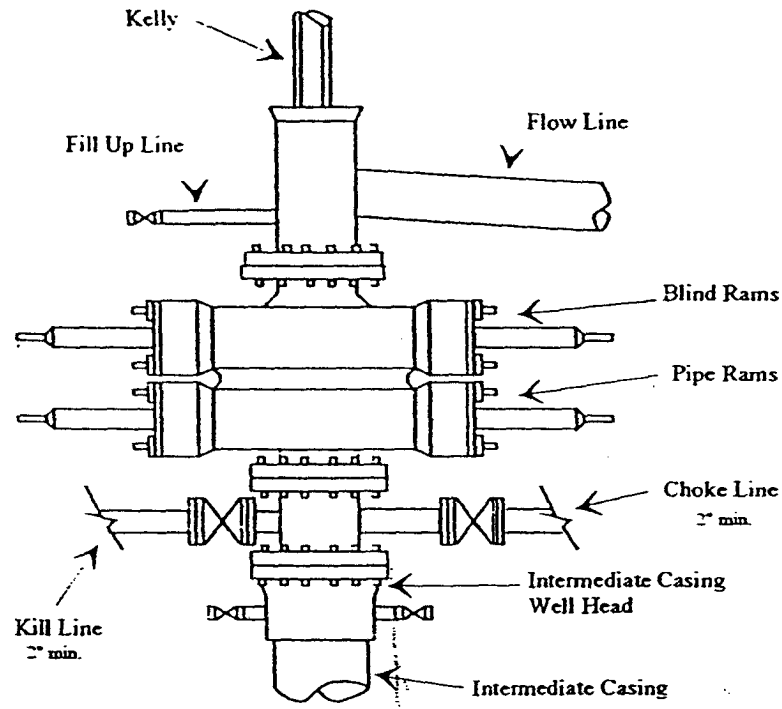
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Pat Perez</i> Signature</p> <p>Pat Perez Printed Name</p> <p>Regulatory Agent Title</p> <p>6-15-01 Date</p>
<p>LG-7642</p>	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>5/21/2001 Date Surveyed</p> <p><i>CHILL L. JOHNS</i> Signature</p> <p>CHILL L. JOHNS Professional Surveyor NEW MEXICO</p> <p>3640</p> <p>Certificate No. Held by CHILL L. JOHNS RLS 3640</p> <p>GENERAL SURVEYING COMPANY</p>



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

