

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
OCD - ARTESIA, NM
☐ AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-23221
⁴ Property Code 32580	⁵ Property Name Humidor State Unit	⁶ Well No. 2
⁹ Proposed Pool 1 Wildcat Bone Spring		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. J	Section 26	Township 24S	Range 27E	Lot Idn	Feet from the 1880	North/South line South	Feet from the 1980	East/West line East	County Eddy
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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 A	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3201'GR
¹⁶ Multiple Y	¹⁷ Proposed Depth N/A	¹⁸ Formation Morrow	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater 70'		Distance from nearest fresh water well .8 mile		Distance from nearest surface water .6 mile
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 miles thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input 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
		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.

Yates Petroleum Corporation plans to workover and possibly recomplete this well as follows: POOH with 2-7/8" tubing, packer and RBP. Drill out 4-1/2" composite plugs at 11,780' and 12,284'. Set a CIBP at 11,780' and 12,284' and cap them with 35' cement. Set packer inside the 9-5/8" casing at +/-10,000'. Stimulate Wolfcamp as needed. After testing Wolfcamp, will consider testing the Bone Spring as follows: Perforate Bone Spring 8230'-8252' (23), 8310'-8318' (9) and 8330'-8352' (23). Stimulate as needed. Possibly will isolate the existing Delaware perforations 3805'-5328'. Swab treat and evaluate. Consider combining the Delaware and the Bone Spring after commingling approval has been obtained.

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 ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature:

Tina Huerta

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tinah@ypcnm.com

Date: June 4, 2007

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

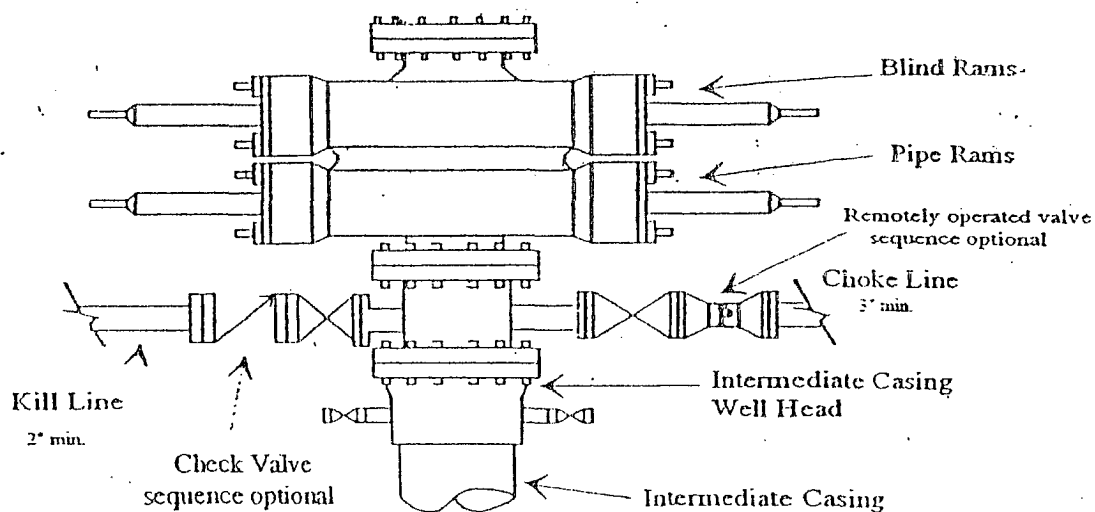
Approval Date: JUN 06 2007

Expiration Date: JUN 06 2008

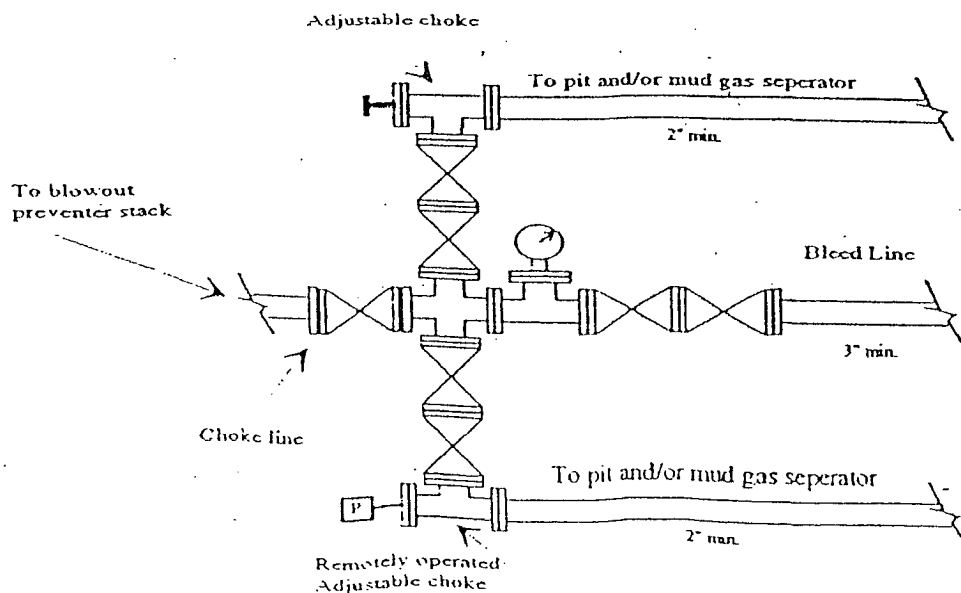
Conditions of Approval Attached ☐

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features



WELL NAME: Humidor State Unit No. 2

FIELD: Wildcat Morrow

LOCATION: 1,880' FSL & 1980' FEL Sec 26-24S-27E

Eddy County

GL: 3201'

ZERO:

KB:

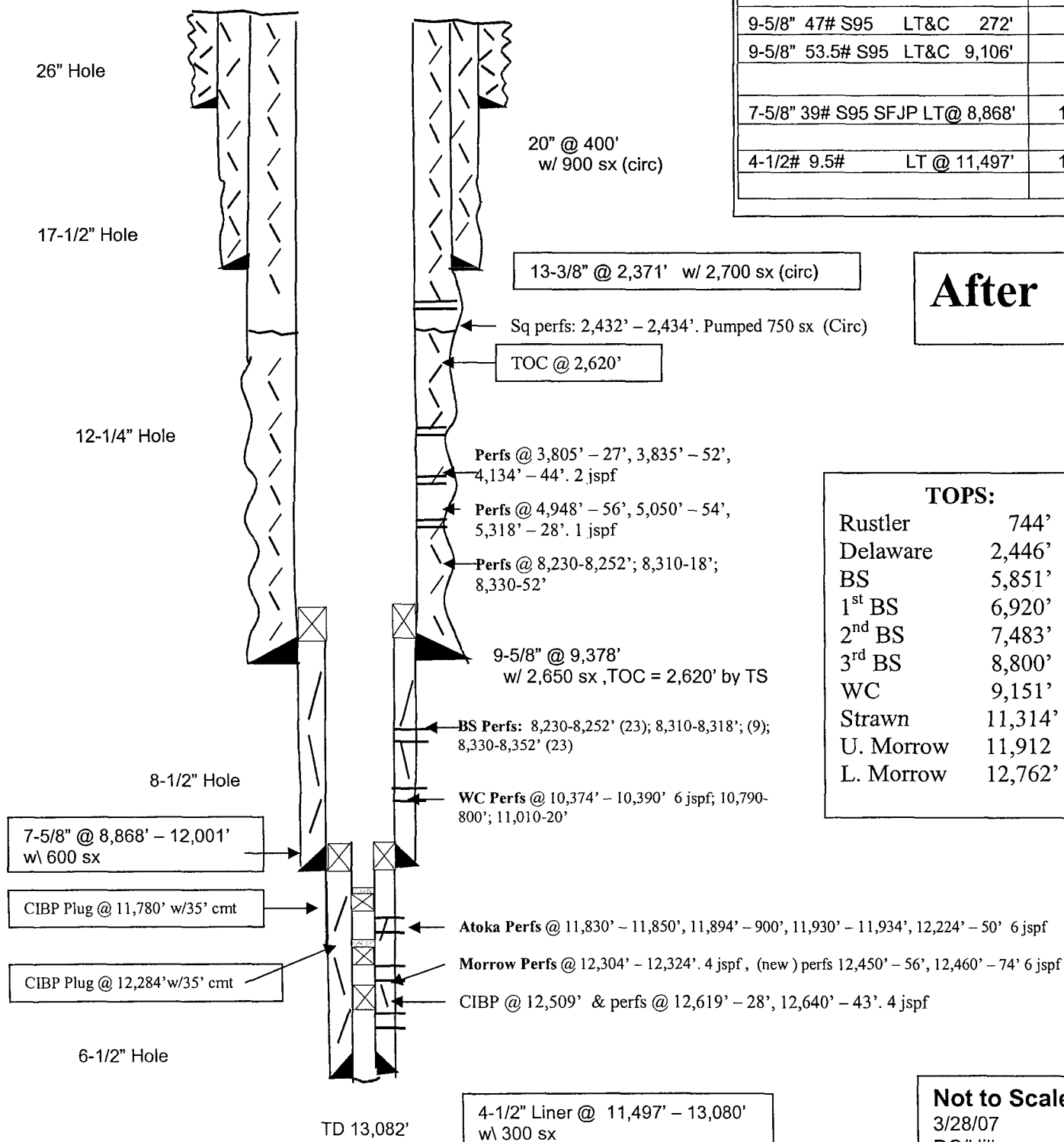
SPUD DATE: 04-18-80

COMPLETION DATE: 04-19-81

COMMENTS: API No. 30-015-23221

CASING PROGRAM

20" 94# J55 ST&C	400'
13-3/8" 54.5# K55 ST&C	1,771'
13-3/8" 61# K55 ST&C	600'
9-5/8" 47# S95 LT&C	272'
9-5/8" 53.5# S95 LT&C	9,106'
7-5/8" 39# S95 SFJP LT@ 8,868'	12,001'
4-1/2" 9.5# LT @ 11,497'	13,080'



After

TOPS:

Rustler	744'
Delaware	2,446'
BS	5,851'
1 st BS	6,920'
2 nd BS	7,483'
3 rd BS	8,800'
WC	9,151'
Strawn	11,314'
U. Morrow	11,912'
L. Morrow	12,762'

Not to Scale

3/28/07

DC/Hill

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 EMERITUS

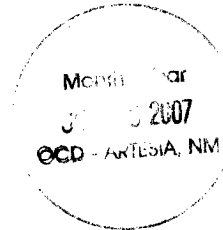
JOHN A. YATES
CHAIRMAN OF THE BOARD

PEYTON YATES
PRESIDENT

FRANK YATES, JR.
EXECUTIVE VICE PRESIDENT

JOHN A. YATES, JR.
SENIOR VICE PRESIDENT

June 4, 2007



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

Re: Humidor State Unit #2
Section 26-T24S-R27E
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 Bone Spring 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