District \(\) \(<u> District II</u> 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

Date: October 5, 2007

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.



Submit to appropriate District Office

☐ AMENDED REPORT

1220 S. St. Ft					TO D		i Fe, N EN TE			J DI LICE	RACK	OP AD	D A ZONE
APPLICATION FOR PERMIT TO DRILI Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210					ess	OCT 1 0 2007				OGRID Number 025575 3API Number			
Artesia, NM				1 88210		OCD-ARTESIA				30-015-34929			
³ Property Code ⁵ Property						y Name ° Well No. ter State Unit 1							
	33740		9 E	Proposed Pool 1	· · · · · · ·	IVIAIICIICSI	Jack	I		10 т	Proposed	Pool 2	1
Four	Mile	Dr	تدكك	Proposed Pool 1 Wolfcamp S W				¹⁰ Proposed Pool 2					
Feur Mile Dreiti Wolfcamp Sw Surface Location													
UL or lot no	I I I		' 1	Range Lot I 23E		dn Feet fr	Feet from the 760				Feet from the East/We 660 We		County Eddy
⁸ Proposed Bottom Hole Location If Different From Surface													
UL or lot no.	Section	Town	nship			dn Feet fr	rom the North/South line		outh line	Feet from the	E	ast/West line	County
					Additional Well Information								
11 Work	Type Code			12 Well Type Co			II Information /Rotary					and Level Elevation	
	A			Ğ	N	N/A			S		4062'GR		
	lultiple Y			¹⁷ Proposed Depth N/A		B.	18 Formation Mississippian			¹⁹ Contractor N/A		²⁰ Spud Date ASAP	
Depth to Groundwater				Distance from nearest fresh water well Distance from nearest surface water									
Pit: Liner: Syntheticmils thick Clay Pit Volume:bb													
Close	d-Loop Sys	stem	<u> </u>	21						Brine	Diesel/C	Oil-based	Gas/Aır 🔲
²¹ Proposed Casing and Cement Program													
Hole Size Casing Size			ng Size	Casıng	Setting Depth		Sacks of Cement		t	Estimated TOC			
						TAL D	LACE			-			
					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.										new productive zone.		
Describe the blowout prevention program, if any. Use additional sheets if necessary. Yates Petroleum Corporation plans to recomplete this well as follows: Perforate Wolfcamp 4552'-4554', 4560'-4562', 4580'-4603', 4612'-4628', 4630'-4644', 4660'-4662' and 4678'-4682'. Stimulate as needed. Will produce after receiving DHC approval.													
I hereby certify that the information given above is true and complete to the							OIL CONSERVATION DIVISION						
best of my knowledge and behef. I further certify that the drilling pit will be constructed according to NMOCD guidelines, a general permit, or						Approved by:							
an (attached) alternative OCD-approved plan .							BRYAN G. ARRANT						
Signature Luna fuerta							DISTRICT II GEOLOGIST						
Printed name: Tina Huerta							Title:				T		
Title: Regulatory Compliance Supervisor							Approval DatOCT 1 2 2007 Expiration DatCT 1 2 2008						
E-mail Addre	E-mail Address: tinah@ypcnm.com												
Date: October 5, 2007 Phone: 505-748-4168					Conditions of Approval Attached								

Conditions of Approval Attached

WELL NAME: Manchester State Unit #1 FIELD: Runyan Ranch LOCATION: 760' FNL & 660' FWL of Section 20-19S-23E Eddy Co., NM **GL**: 4.062' ZERO: KB: **CASING PROGRAM** SPUD DATE: 12/1/06 COMPLETION DATE: **COMMENTS**: API No.: 30-015-34929 13-3/8" 48# H40 302' 9-5/8" 36# J55 1,105' 7" 26# J55 43' 14-3/4" Hole 7" 23# J55 5,166' 7" 26# J55 1,528' 13-3/8" @ 302' w/485 sx 8,072' 7" 26# L80 1,346' 1"ed to surf 12-14" Hole **After** 9-5/8" @ 1,484' w/1,105 sx cmt 1"ed w575 sx to surf. Tops: San Andres 931' Glorieta 1,917 U. Yeso 2,087 2,773' Tubb L. Yeso 2.904 Abo 3,407 WolfCamp 4,592 WC Base 4,648' WC Perfs: 4,552-4,682' WC Shale 4,694' 8-3/4" Hole 5,929 Cisco Strawn 6,999' Atoka 7,356' U. Morrow 7,531' - Perfs: 6,150' - 6,160' (22) 6,370' - 6,376' (14) Mid. Mrw 7,687' 6,400' - 6,410' (22) L. Mrw 7,770' Chester 7,888' \ \ | ·... Flow through composite @ Miss 8,035 7,694' Perfs: 7,572-7,584' (78) CIBP @ 7,744' + 35' cement Perfs: 7,794-7,800' (42)

> 7" @ 8,072' w/ 1,280' sx (Circ)

TD:

8,100'

Not to Scale 8/31/07 DC/Moss

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Avenue, Artesia, NM 88210

1301 W. Grand Avenue, Artesia, NM 882

District III

1000 Pio Brazos Rd Azter, NM 87410

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

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

		W	ELL LO	OCATIO:	N AND	ACREA	GE DEDIC	CATION PL	AT				
1,		² Pool Code 2						Pool Name					
30		97553 Four Mile Draw Wolfcam					Volfcamp	5 W					
⁴ Property Code					⁵ Pro	operty Name		,		⁶ Well Number			
35746					1								
⁷ OGRID No.					⁹ Elevation								
02557	;	Yates Petroleum Corporation									4062'GR		
¹⁰ Surface Location													
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the N	orth/South line	Feet from the	East/We	East/West line County			
D	20	19S	23E		760		North	660	West Eddy				
¹¹ Bottom Hole Location If Different From Surface													
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the N	orth/South line	Feet from the	East/We	st line	County		
12 Dedicated Acres	13 Joint or	r Infill 14 Co	nsolidation	Code 15 O	rder 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		¹⁷ OPERATOR CERTIFICATION
760:		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
F		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
460'W		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
		October 5, 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:
		Certificate Number

MARTIN YATES, III

FRANK W. YATES 1936-1986



105 SOUTH FOURTH STREET

ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (505) 748-1471

S.P. YATES

JOHN A. YATES CHAIRMAN OF THE BOARD

PEYTON YATES

FRANK YATES, JR.

JOHN A. YATES, JR. SENIDR VICE PRESIDENT

OCT 10 2007 OCD-ARTESIA

October 5, 2007

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

Re:

Manchester State Unit #1 Section 20-T19S-R23E 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 Wolfcamp 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