

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

NOV 05 2007

☐ AMENDED REPORT

OCD-ARTESIA

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		⁴ OGRID Number 025575
		⁵ API Number 30-005-63677
³ Property Code 33592	⁶ Property Name Value BCV State Com	⁹ Well No. 2
⁹ Proposed Pool 1 Pecos Slope; Abo		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. B	Section 2	Township 8S	Range 26E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	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 P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3831'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Precambrian	¹⁹ Contractor N/A	²⁰ Spud Date N/A
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

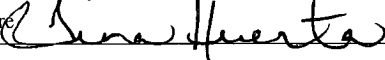
²¹ Proposed Casing and Cement Program

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 plugback and recompleat this well as follows: Set a CIBP at 5236' with 35' cement on top. Perforate Abo 4309'-4312' (4), 4315'-4320' (6), 4324'-4328' (5), 4396'-4398' (3), 4400'-4402' (3), 4476'-4478' (3), 4575' (1), 4585' (1), 4598' (1), 4637' (1), 4672'-4678' (7) and 4680'-4682' (3). Stimulate as needed. Will possibly downhole commingle Wolfcamp with Abo.

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: Tina Huerta

Title. Regulatory Compliance Supervisor

E-mail Address: tina.huerta@ypcnm.com

Date: October 31, 2007

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARANT
DISTRICT II GEOLOGIST

Title:

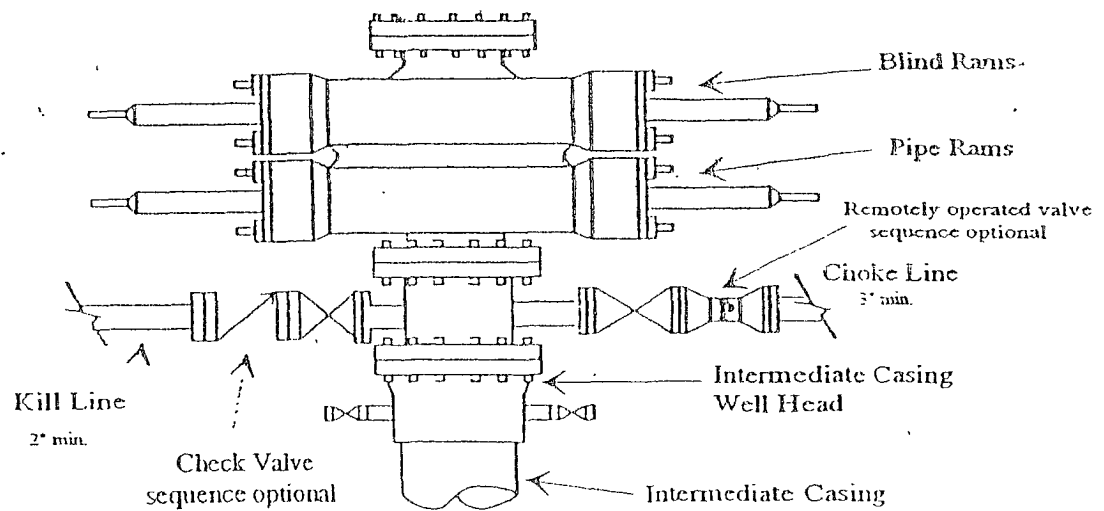
Approval Date: NOV 06 2007

Expiration Date: NOV 06 2008

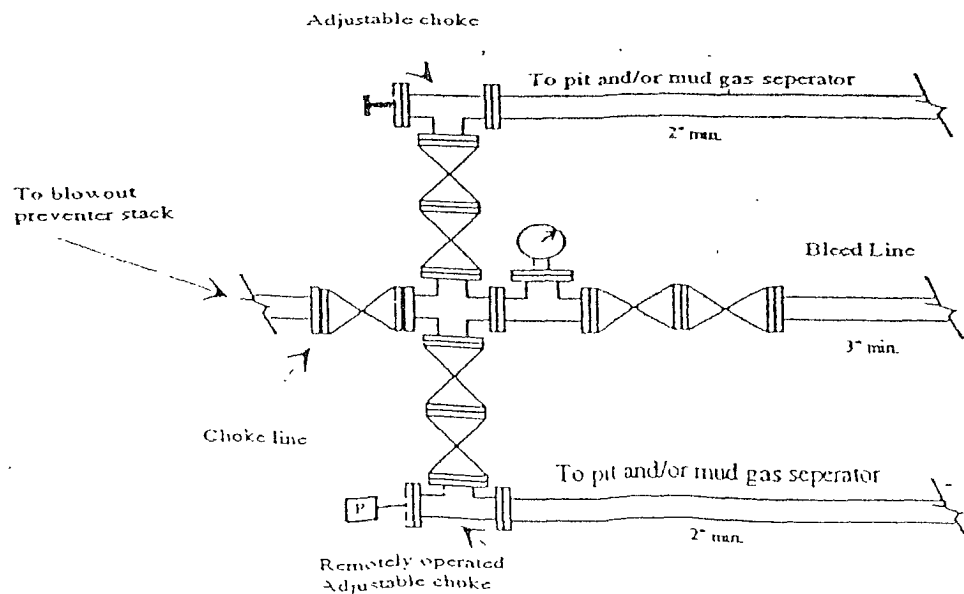
Conditions of Approval Attached ☐

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: Value BCV St Com #2 FIELD: Foor Ranch, Pecos Slope
 LOCATION: 660' FNL & 1,980' FEL of Section 2-8S-26E Chaves Co., NM
 GL: 3831' GR ZERO: KB: 3843'
 SPUD DATE: 7/9/07 COMPLETION DATE:
 COMMENTS: API# 30-005-63677

CASING PROGRAM

8-5/8" 36# J-55	1,115'
5-1/2" 15.5# J-55	5,675'

After

Tops:

Queen : 492'
 Penrose : 594'
 Grayburg : 730'
 San Andres : 954'
 Glorieta : 2,018'
 Yesso : 2,138'
 Tubb : 3,560'
 Abo : 4,284'
 Wolfcamp : 4,964'
 Wolfcamp B : 5,046'
 WC/Spear : 5,258'
 Cisco : 5,459'
 Strawn : 5,560'
 Pre-Cambrian : 5,634'

14 3/4" Hole

8 3/4" Hole

8 5/8" @ 1,115'
 w/ 1000 sx cmt (circ)

Abo perfs: 4,309'-12' (4), 4,315'-20' (6), 4,324'-28' (5), 4,396'-98' (3),
 4,400'-02' (3), 4,476'-78' (3), 4,575' (1), 4,585' (1), 4,598' (1), 4,637' (1),
 4,672'-78' (7), 4,680'-82' (3) (1 spf, total 38 holes)

CIBP@ 5236 w/ 35' cement

Wolfcamp, Spear B perfs. 5,286'-5,302' (4 spf, total 68 holes)

5-1/2" @ 5,675'
 Stage1: 250 sx cmt (circ)
 Stage2: 1,025 xs cmt (circ)

Not to Scale
 07/30/07
 MMFH

PBTD: 5,630'
 TD : 5,675'

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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 30-005-63677	² Pool Code 82730	³ Pool Name Pecos Slope; Abo
⁴ Property Code 33592	⁵ Property Name Value BCV State Com	⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3831'GR

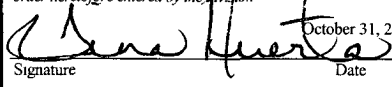
¹⁰ Surface Location

UL or lot no. B	Section 2	Township 8S	Range 26E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	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 160	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.

¹⁶						¹⁷ OPERATOR CERTIFICATION <i>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</i>  Signature October 31, 2007 Date Tina Huerta Printed Name
						¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor Certificate Number

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¹² Dedicated Acres 160	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.

16		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 Signature: Tina Huerta Date: October 31, 2007 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
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

November 2, 2007

NOV 05 2007
OCD-ARTESIA

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

Re: Value BCV State Com #2
Section 2-T8S-R26E
Chaves 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 Abo 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