

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

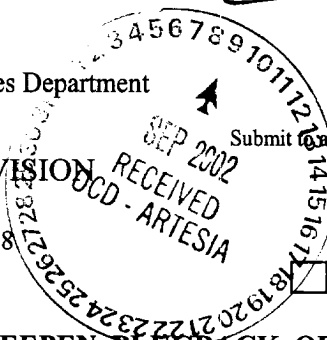
DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088



Form C-101

Revised March 17, 1999
Instructions on back
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ 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- 62553
⁴ Property Code 26800	⁵ Property Name Hard As Nails "AMD" State Com.	⁶ Well No. 3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
J	27	9S	26E		1980'	South	1980'	East	Chaves

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
⁹ Proposed Pool 1 Undes. Foor Ranch Premian						¹⁰ Proposed Pool 2			

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3803.2'
¹⁶ Multiple N	¹⁷ Proposed Depth 6530'	¹⁸ Formation Ordovician	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	42#	978'	475 sx	In Place
7 7/8"	5 1/2"	24#	6530'	As necessary	TOC 3200'

Cement to cover all oil, gas and waterbearing zones.

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.

SEE ATTACHED PAGE #2

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Pat Perez</i>		OIL CONSERVATION DIVISION	
Printed name: Pat Perez		Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	
Title: Regulatory Agent		Approval Date: SEP 11 2002 Expiration Date: SEP 11 2003	
Date: 09/09/02	Phone: (505) 748-1471	Conditions of Approval Attached <input type="checkbox"/>	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, 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

Form C-102

Revised August 15, 2000

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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 Undes. Foor Ranch Pre Permian
⁴ Property Code	⁵ Property Name Hard As Nails "AMD" State Com.	⁶ Well Number 3
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3808.2'

¹⁰ Surface Location

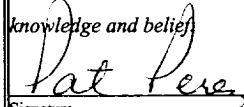
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	27	9S	26E		1980	South	1980	East	Chaves

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	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Pat Perez Printed Name Regulatory Agent Title 9/9/2002 Date
				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. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

2002
 RECEIVED
 OCD - ARTESIA
 11 15 16 17 18 19 20 21 22 23 24 25 26 27

V-5639

1980'

V-5639

LG-8138

1980'

YATES PETROLEUM CORPORATION

Re-entry Procedure

Hard as Nails AMD State #3

Drilling Prognosis

Page 2

This well was originally drilled by Yates Petroleum Corporation as the Hard as Nails State Unit #1 on November 18, 1987. Yates Petroleum Corporation proposes to re-enter this well with a drilling rig and drill out plugs in the 8 5/8" casing and in the 7 7/8" open hole to 5100'. The well will be deepened to 6200' in the Ordovician Formation. A new suite of open hole logs will be run then a string of 5 1/2" casing will be run to TD and cemented back to 3,000'+-. The well will then be completed with a pulling unit. The formation to be tested will be the Wolfcamp Formation.

MUD PROGRAM: 0-5100' Brine; 5100'-6200' Salt Gel/Starch. Wt 9.3-10.2.
Vis 32-40. <10cc.

BOPE PROGRAM: 2000 # BOPE will be nipped up on 8 5/8 in casing.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name
			Undes. Floor Ranch Pre Permian
Property Code	Property Name		Well Number
	Hard As Nails AMD State Com.		3
OGRID No.	Operator Name		Elevation
025575	YATES PETROLEUM CORPORATION		3808.2'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County
J	27	9S	26E		1980'	South	1980'	East	Chaves

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idh	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 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

16				17 OPERATOR CERTIFICATION			
				I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief			
				Signature: Cy Cowan			
				Printed Name: Regulatory Agent			
				Title: October 11, 2000			
Date: October 11, 2000				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:							

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

Operator YATES PETROLEUM CORPORATION			Lease HARD AS NAILS STATE UNIT		Well No. 1
Unit Letter J	Section 27	Township 9 South	Range 26 East	County Chaves	
Actual Footage Location of Well:					
1980 feet from the South line and		1980 feet from the East line			
Ground Level Elev. 3803.2	Producing Formation Abo	Pool PEROS SLOPE Abo	Dedicated Acreage 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes" type of consolidation **IS TO BE COMMUNITIZED**

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Clifton R. May
Name

Clifton R. May

Position
Regulatory Agent

Company
Yates Petroleum Corporation

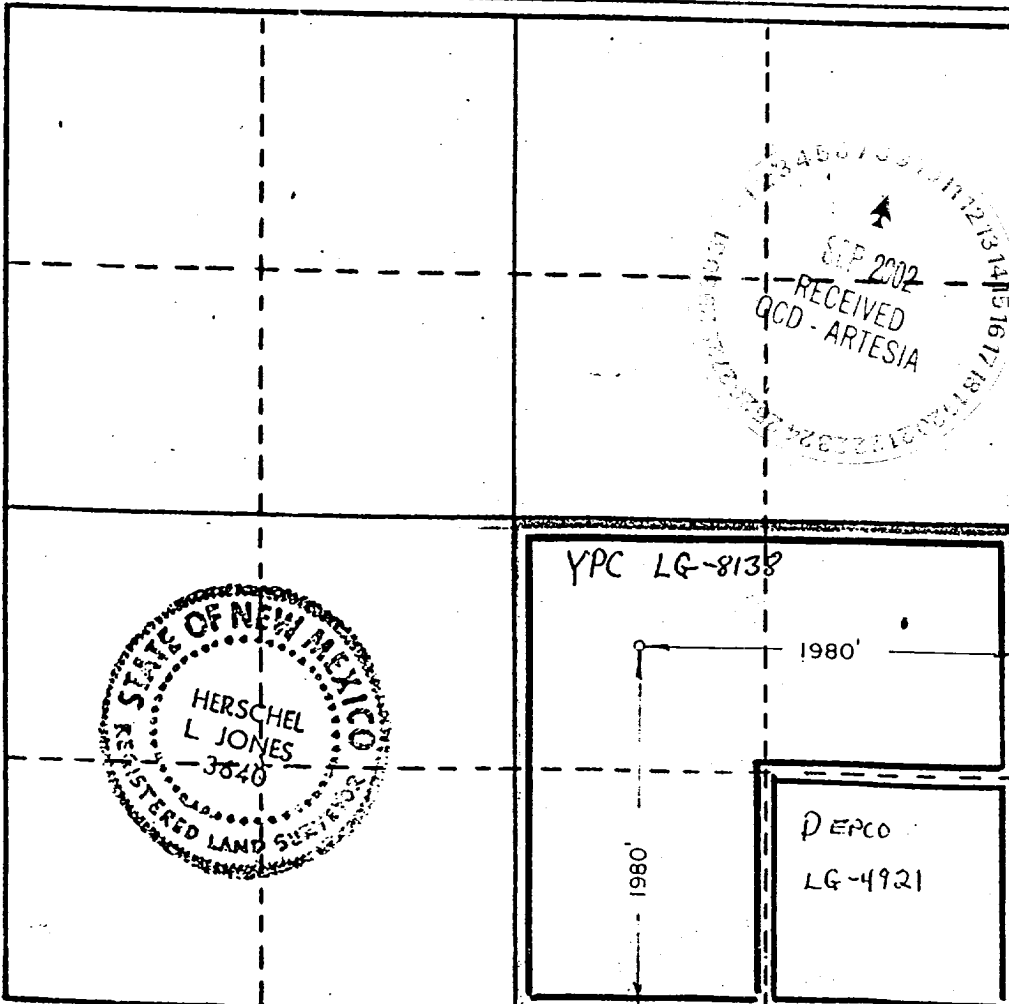
Date
October 14, 1987

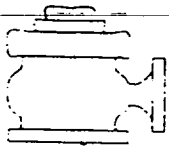
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
10/12/87

Registered Professional Engineer and/or Land Surveyor

Herschel L Jones
Certificate No. **3640**

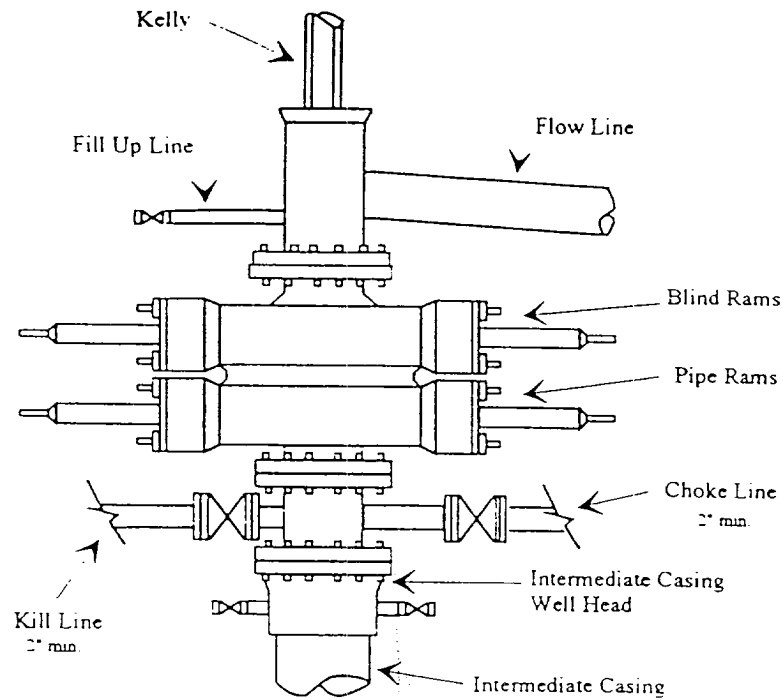




Yates Petroleum Corporation

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

