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-101 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTRE BACK, OR ADD A ZONE Operator Name and Address ² OGRID Number Yates Petroleum Corporation 25575 2 6 1995 105 South Fourth Street ³ API Number Artesia, NM 88210 30-0 15-23664 ⁴ Property Code ' Well No. DIST. 2 012372 Hoffman PL 1 ⁷ Surface Location UL or lot no. Range Section Township Feet from the Lot Idn North/South line Feet from the East/West line County Ε 27 18S 26E 2310 990 North West Eddy Proposed Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Ida Feet from the North/South line Feet from the East/West line County Proposed Pool 1 ¹⁸ Proposed Pool 2 Undesignated San Andres Work Type Code 12 Well Type Code 13 Cable/Rotary 14 Lease Type Code ¹⁴ Ground Level Elevation P 0 Pulling Unit Ρ 3336' GR 14 Multiple 17 Proposed Depth " Formation " Contractor 24 Spud Date TD 3100'; PB 2430 Ν San Andres Unknown ASAP ²¹ Proposed Casing and Cement Program Hole Size **Casing Size** Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 9-7/8" 7" 23# 1120' In place 6 - 1/4''4-1/2" 9.5# 3094' In place 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 accessary. Propose to abandon depleted Yeso perforation 2475-2841' and recomplete to San Andres as follows: POOH with rods and pump. NU and test BOP. POOH with production tubing. 1. Set CIBP at 2430'± and cap with 35' of cement to abandon perforations 2475-2841' 2. Pressure test casing to 3000 psi. (Yeso). Perforate 1642-1706' (San Andres) w/16 holes. 3. RIH w/tubing and packer. Acidize perforations 1642-1706' as necessary. 4. Frac perforations 1642-1706' as necessary down 4-1/2'' casing. Put well on pump and test. ²³ I hereby certify that the information given above is true and complete to the best **OIL CONSERVATION DIVISION** of my knowledge and belief. Signature: Approved by: ORIGINAL SIGNED BY TIM W. CUM Printed name: Title: DISTRICT II SUPERVISOR Klein Rusty Title Approval Date: JUL 2 8 1995 Expiration Date: Production Clerk Date: Phone: Conditions of Approval : July 25, 1995 505-748-1471 Attached D