Form 3160-5 (August 1999)	DEFAR SNI OF THE	ES N.M. OILCORS, PAN INTERIOR JAGEMBOOLW, GRADD &	FORM APPROVED OMB No. 1004-0135 Expires Inovember 30, 2000
			5. Lease Serial No. LC-028990-B
Do no	SUNDRY NOTICES AND REPO ot use this form for proposals	to drill or reenter an	6. If Indian, Allottee or Tribe Name
	loned well. Use Form 3160-3 (Al		
			7. If Unit or CA/Agreement, Name and
SUBMIT	TIN TRIPLICATE – Other ins		
1. Type of Well Oil Well	Gas Well 🔲 Other	189101172	8. Well Name and No.
2. Name of Operator	Corporation /		Creek AL Federal #1 9. API Well No.
Yates Petroleum	Corporation /	3b. Phone No. (include area code)	30-015-322
	Street, Artesia, NM 88210	(505) 748-14RECEIVED	10. Field and Pool, or Exploratory Are
	Footage, Sec., T., R., M., or Survey Descri	iption) ( OCD - ARTESIA	Wildcat Morrow
	nd 860' FEL	iption)	11. County or Parish, State
	, T18S-R30E		Eddy County, New Me
12. CH	ECK APPROPRIATE BOX(ES) TO	INDICATE NATURE OF NOTICE, RE	PORT, OR OTHER DATA
TYPE OF SUBN	AISSION	TYPE OF ACTION	
X Notice of Intent	Acidize	Deepen Production	on (Start/Resume) 🔲 Water Shut-Off
-	Alter Casing	Fracture Treat Reclama	
Subsequent Repor	t Casing Repair Change Plans	New Construction Recompl	rily Abandon Location a
Final Abandonme			
Yates Petro from 660' H Also, we wi Thank you.	oleum Corporation wishe		for the captioned well
14. I hereby certify th Name ( <i>Printed/Ty</i> )		Title	later Acest
Name (Printer/Typ		Regu	ulatory Agent
	ped	Regu	ulatory Agent ril 18, 2002
Name (Printer/Typ	Cy Cowan	Date Apr E FOR FEDERAL OR STATE USE	ril 18, 2002
Name (Printed/Typ Signature Approved by	Cy Cowan Cy Cowan THIS SPAC	Date Apr Date FOR FEDERAL OR STATE USE	ril 18, 2002 R Date MAY 0.0. 2002
Name (Printed/Typ Signature Approved by Conditions of approval, if certify that the applicant h wh.ch would entitle the ap	Cy Cowan Cy Cowan THIS SPAC THIS SPAC IS/ JOE G. LARA any, are attached. Approval of this notice does nolds legal or equitable title to those rights in the policant to conduct operations thereon.	Regi         Date       Apr         E FOR FEDERAL OR STATE USE         A for the subject lease       Office CARLSBAD	ril 18, 2002 R Date MAY 0 0 2002 FIELD OFFICE
Name ( <i>Brinted/Typ</i> Signature Approved by Conditions of approval, if certify that the applicant h wh.ch would entitle the ap	Cy Cowan Cy Cowan THIS SPAC THIS SPAC /S/ JOE G. LARA any, are attached Approval of this notice does holds legal or equitable title to those rights in the plicant to conduct operations thereon. ion 1001 make it a grime for any person	Date Apr Date FOR FEDERAL OR STATE USE	ril 18, 2002           Date         MAY         0. 0. 2002           FIELD OFFICE         any department or agency of the United

BUREY CENEL OF OF OF OF

S. 106 C. L.F.

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 87505

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State of New Mexico

Energy, Minerals and Natural Resources Departmen

Form C-102 Revised March 17, 1999 Instruction on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

### OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

Wildcat Morrow         Property Code       Property Name       Well Num         CREEK "AL" FEDERAL       17         OGRID No.       Operator Name       Elevati         025575       YATES PETROLEUM CORPORATION       3635         Surface Location         UL or lot No.       Section       Township       Range       Lot Idn       Feet from the       North/South line       Feet from the       East/West line         P       24       18S       30E       700       SOUTH       860       EAST         Bottom Hole Location If Different From Surface	
OGRID No.     Operator Name     Elevation       025575     YATES PETROLEUM CORPORATION     3635       Surface Location       UL or lot No.     Section     Township     Range     Lot Idn     Feet from the     North/South line     Feet from the     East/West line       P     24     18S     30E     700     SOUTH     860     EAST	County EDDY
025575     YATES PETROLEUM CORPORATION     3635       Surface Location       UL or lot No.     Section     Township     Range     Lot Idn     Peet from the     North/South line     Feet from the     Bast/West line       P     24     18S     30E     700     SOUTH     860     EAST	County EDDY
UL or lot No.SectionTownshipRangeLot IdnFeet from theNorth/South lineFeet from theEast/West lineP2418S30E700SOUTH860EAST	EDDY
P 24 18S 30E 700 SOUTH 860 EAST	EDDY
Bottom Hole Location If Different From Surface	County
	County
UL or lot No. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line	
	<del>.</del>
Dedicated Acres         Joint or Infill         Consolidation Code         Order No.           320 <td></td>	
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDA' Or a non-standard unit has been approved by the division	TED
OPERATOR CERTIFICATI	ION
I hereby certify the the info contained herein is true and complet	
50 10 11 72 73 27 20 La Marein is true and complet	
KEULIVLL A Demote Nome	······
0CD ARIESIA Regulatory Age	nt
Title	
April 18, 2002	
Date	
SURVEYOR CERTIFICATI	ION
LC-02899-B NM-93771 I hereby certify that the well location on this plat was plotted from field actual surveyse made by me or w	1
actual surveyse made by me or u	under my
supervison, and that the same is correct to the best of my belief.	1
4/11/2002	
N.32°43'39.2" W.103°55'10.9" 3637 3641	
W.103*55'10.9"	
	·
3632 0 3634 Certificito No. terscher L. Nors CREERFESSIONAL	RLS 3640
CREERESSIONAL GENERAL SUBLICANS COMPANY	,

#### MULTI-POINT SURFACE USE AND OPERATIONS PLAN YATES PETROLEUM CORPORATION Creek "AL" Federal #17 700' FSL and 860' FEL Section 24-T18S-R30E Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

#### 1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 8 miles Southeast of Loco Hills, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

#### **DIRECTIONS:**

Go East of Artesia on Highway 82 to Highway 360. Turn Right on 360 and go to Duval Shaft Road (CR 251). Turn left on Duval Shaft Road and to Grubbs Rd (CR 250). Turn right on Grubbs Rd. and go approx. 4.8 miles. Turn north here and go approx. 0.7 of a mile. Turn left and go 0.7 of a mile to the Creek AL Battery on the right. On the west side of the Creek Battery follow road to the north for approx. 0.3 of a mile to the Creek AL Fee #2 well. The Creek AL Federal #17 well location will be located 300 feet to the west.

- 2. PLANNED ACCESS ROAD:
  - A. The proposed new access will go west for approximately 300' to the Southeast corner of the drilling pad. The road will lie in a east to west direction.
  - B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
  - C. The new road will be bladed with drainage on one side. Some traffic turnouts will be built.
  - D The route of the road is visible.
  - E Existing roads will be maintained in the same or better condition.
- 3. LOCATION OF EXISTING WELL:
  - A. There is no drilling activity within a one-mile radius of the well site.
  - B. Exhibit D shows existing wells within a one-mile radius of the proposed well site.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:
  - A. There are no production facilities on this lease at the present time.
  - B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

#### YATES PETROLEUM CORPORATION Creek "AL" Federal #17 700' FSL and 860' FEL Section 24-T18S-R30E Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Rustler	485'	Dolomite	8200'
Tansill	1800'	Wolfcamp	9500'
Yates	1910'	Strawn	10,750'
Seven Rivers	2350'	Atoka	11,075'
Queen	3075'	Morrow	11,450'
Grayburg	3560'	Chester	12,120'
Delaware	4600'	TD	12,200'
Bone Spring	5820'		

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 250'-350' Oil or Gas: All potential zones.

3. Pressure Control Equipment: BOPE will be installed on the 9 5/8" casing and rated for 5000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.
- 4. THE PROPOSED CASING AND CEMENTING PROGRAM:

Hole Size	Casing Size	Wt./Ft	Grade	Coupling	Interval	<u>Length</u>
17 1/2"	13 3/8"	48#	H-40	ST&C	0-700'	700'
12 1/4"	9 5/8"	36#	J-55	ST&C	0-4000'	4000'
8 3/4"	7"	29#	P-110	LT&C	0-100'	100'
8 3/4"	7"	26#	L-80	LT&C	100'-8600'	8500'
8 3/4"	7"	26#	HCP-110	LT&C	8600'-11000'	2400'
8 3/4"	7"	29#	P-110	LT&C	11000'-12200	' 1200'

A. Casing Program: (All New)

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8

#### Creek "AL" Federal #17 Page 2

#### B. CEMENTING PROGRAM:

Surface casing: 400 sx Lite(Yld 2 Wt. 12.5) Tail in w/250 sx Class "C" + 2% CaCL2 (YLD 1.32 WT 14.8).

Intermediate Casing: Lead w/1100 sx Lite (Yld 2 Wt 12.5). Tail in w/250 sx Class "C" + 2% CACL2 (Yld 1.32 Wt. 14.8).

Production Casing: TOC-3500'; 600 sx Lite (Yld 2 Wt. 12.5). Tail in w/500 sx Super "C" (Yld 1.62 Wt. 1.32).

#### 5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

<u>Interval</u>	Туре	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-700'	FW Gel/Paper	8.6-9.0	32-36	N/C
700'-4000'	Brine	10.0-10.2	28	N/C
4000'-11000'	Cut Brine	8.8-9.5	28	N/C
11000-12200'	SGEL/Starch/Drispac/KCL	9.5-10.0	32-40	<10 cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

#### 6. EVALUATION PROGRAM:

Samples: 30' samples to 5000'. 10' samples to 5000' to TD. Logging: Platform HALS. Coring: Sidewall cores as warranted. DST's: As warranted.

#### 7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Anticipated BHP: From: 0 TO: 700' From: 700' TO: 4000' From: 4000' TO: TD

Anticipated Max. BHP: 300 PSI Anticipated Max. BHP: 1700 PSI Anticipated Max. BHP: 6100 PSI

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None

H2S Zones Anticipated: None Anticipated

#### 8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 30 days to drill the well with completion taking another 15 days.

## **Yates Petroleum Corporation**

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



# Typical 5,000 psi choke manifold assembly with at least these minimun features





