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District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

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 30-015-28053
⁴ Property Code 15404	⁵ Property Name State K	⁶ Well No. 3-H

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	28	19S	25E		1980'	South	1980'	West	Eddy

⁸Proposed 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
M	28	19S	25E		660'	South	660'	West	Eddy

⁹ Proposed Pool 1 Dagger Draw Upper Penn, North	¹⁰ Proposed Pool 2
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¹¹ Work Type Code PB	¹² Well Type Code 0	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3480'
¹⁶ Multiple No	¹⁷ Proposed Depth 9535' MD	¹⁸ Formation Canyon	¹⁹ Contractor Not determined	²⁰ Spud Date ASAP

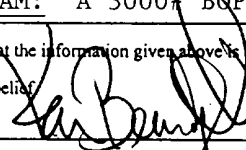
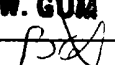
²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 4/3"	9 5/8"	36#	1150'	1100 sx	In Place
8 3/4"	7"	23# & 26#	8220'	1350 sx	In Place
4 3/4"	Open Hole	-----	9535' MD	Open Hole	-----

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 DRILLING PROGNOSIS, SHARTS, LOG AND PLAT MAP

BOPE PROGRAM: A 3000# BOP will be installed on the 9 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: ORIGINAL SIGNED BY TIM W. GUM DISTRICT II SUPERVISOR	
Printed name: Ken Beardemph		Title: 	
Title: Landman		Approval Date: JUL 27 2000 Expiration Date: JUL 27 2001	
Date: July 26, 2000	Phone: (505) 748-1471	Conditions of Approval: Attached ☐	

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State of New Mexico
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505Form C-102
Revised March 17, 1999Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-28053		Pool Code 15472	Pool Name Dagger Draw, Upper Penn, North
Property Code	Property Name State K		Well Number 3-H
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 3480'

10 Surface Location

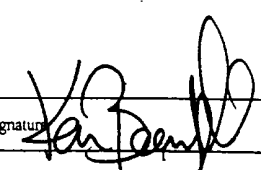
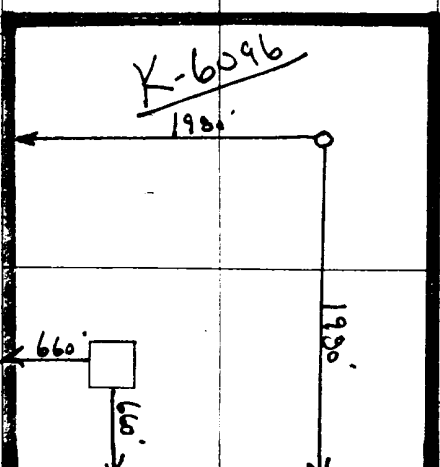
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	28	19S	25E		1980'	South	1980'	West	Eddy

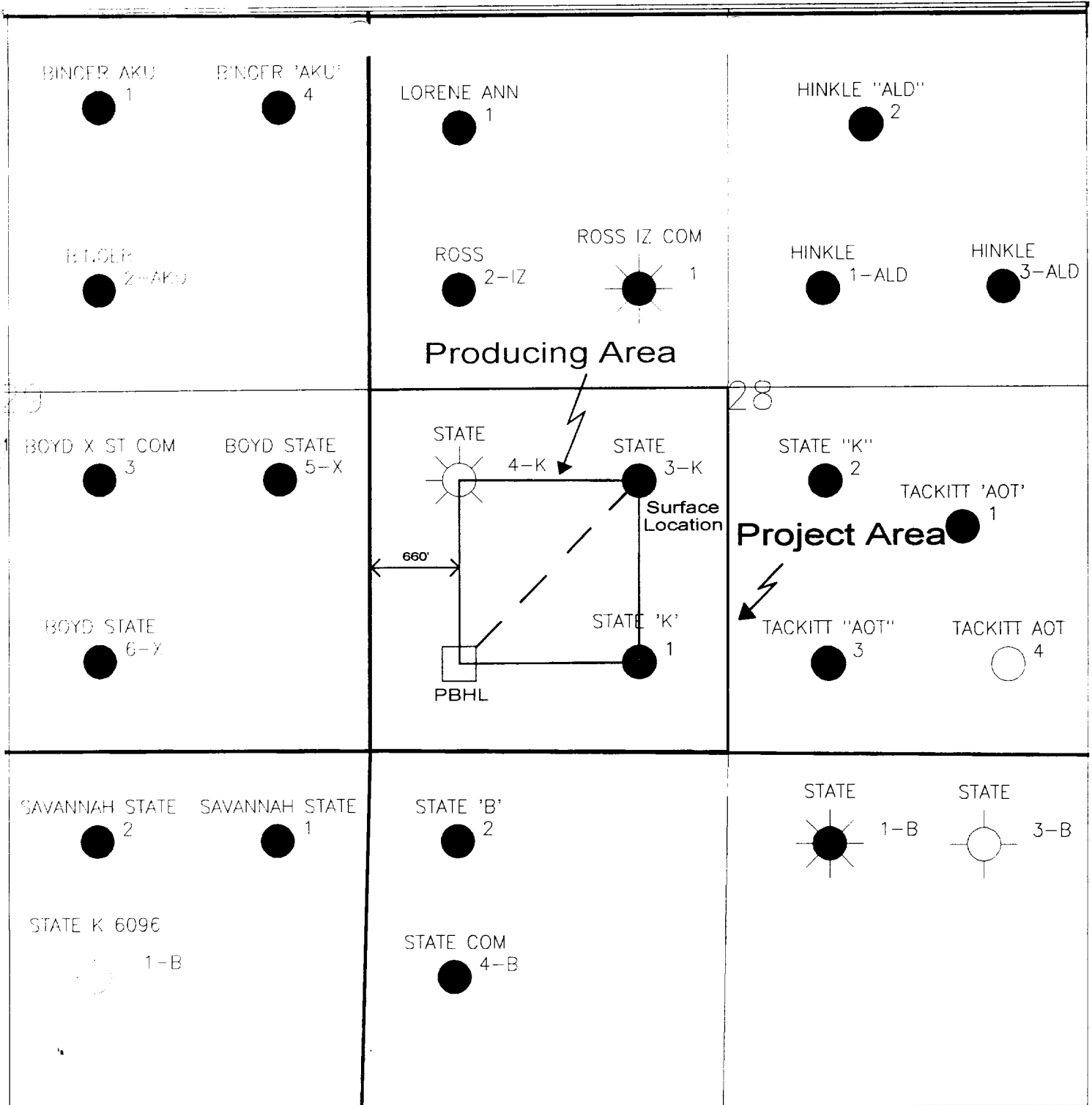
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	28	19S	25E		660'	South	660'	West	Eddy

Dedicated Acres 160	Joint or Infill	Consolidation Code	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  Printed Name Ken Beardemphl Title Landman Date July 26, 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:



Surface Location: 1980' FSL & 1980' FWL Sec. 28-T19S-R25E
 Proposed Bottom Hole Location: 660' FSL & 660' FWL Sec. 28-T19S-R25E

Yates Petroleum Corporation		
STATE K #3-H Section 28 T19S-R25E		
Geot: B. May		4/25/2000
ld	Scale 1:12000.	ddstk3.gpf

Drilling Prognosis

Yates Petroleum

This information is only approximate. Final form may vary

State K #3-H

Surface: Sec. 28 19S-25E 1,980' S & W

Bottom Hole: 660' S & W

Eddy County, NM, 9,535' MD Canyon

Procedure:

YPC plans to re-enter this well which was drilled in 1994. The well is currently producing. The tubing and sub pump will be pulled from the well, and the perforations will be left open. A cast iron bridge plug will be set at +/-7,634'. A whipstock will then be set inside of the casing on top of the CIBP. A window will then be milled in the casing at 7,614', and the wellbore will be sidetracked out of the 7" casing. A 4 3/4" bit will be used for the horizontal lateral. A build rate of 60 deg/100' will be used until a final inclination of 90 degrees is reached. This should occur at 7,764' MD, 7,710' TVD. From this point the 90 degree angle will be maintained and a lateral approximately 1,770' long will be drilled. The end of the lateral will be 9,535' MD, 7,710' TVD.

Geological Program

Expected Tops:

SAN ANDRES	Depth: 705
GLORIETA	Depth: 2260
BONE SPRING	Depth: 3865
WOLFCAMP LST	Depth: 6185
CANYON LST	Depth: 7614
CANYON DOLOMITE	Depth: 7690*
TD	Depth: 7710' TVD, 9,535' MD

*This depth is the middle of the productive Canyon Dolomite.

Drilling Program

Hole Size		Casing Program		
Size	Depth To	Size	Weight	Depth
14.75"	1150'	9.625"	36#J-55	1150'
8.75"	8220'	7"	23#, 26#	8220'
4.75"	9,535' MD	OPEN HOLE		

NOTE: The 9.625" and 7" casing strings are set and cemented in place.

Mud Program

Depth		Type	Weight
From	To		
0'	TD	FW	8.4-8.6
		Vis: 28-32	

Directions to Location

N/A at this time.

Job Number: 1

State/Country: NM/USA

Company: Yates Petroleum Corporation

Declination:

Lease/Well: State K #3

Grid:

Location: Sec. 28 T19S-R25E

File name: C:\WINSERVE\STATEK3H.SVY

Rig Name: N/A

Date/Time: 14-Jun-00 / 13:05

RKB:

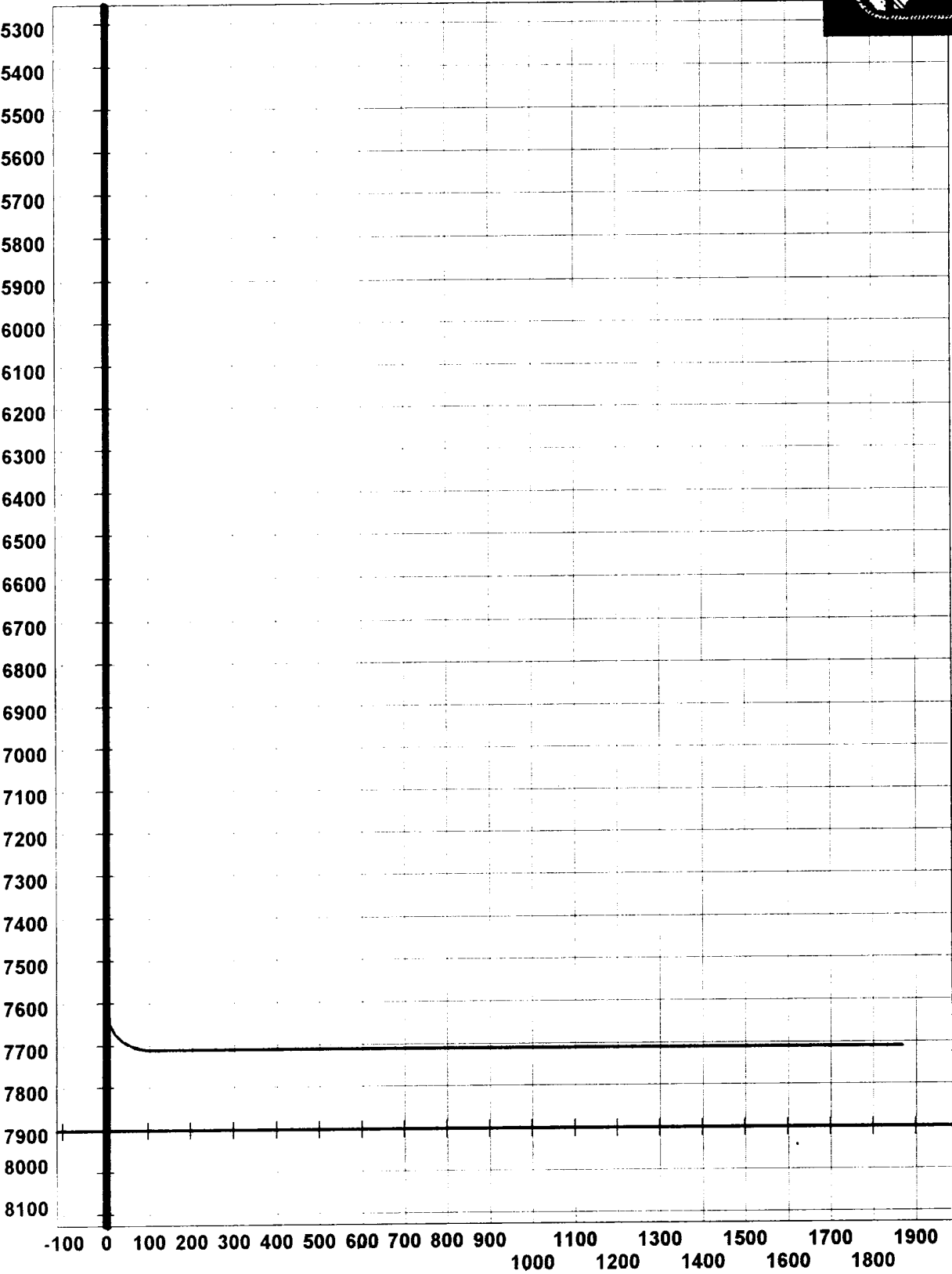
Curve Name:

G.L. or M.S.L.:

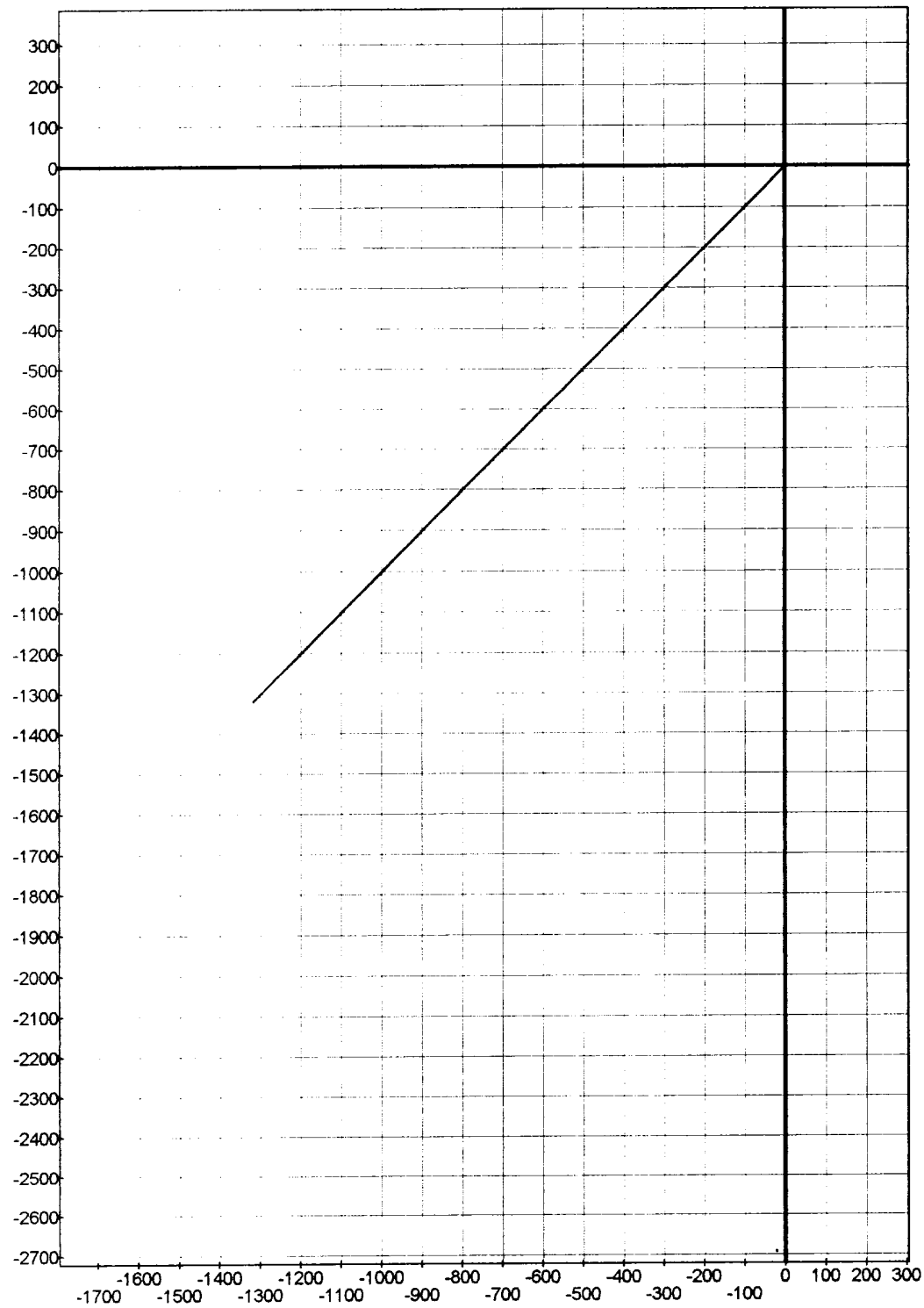
WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 225.00
Vertical Section Referenced to offset from Wellhead: EW =.00 Ft, NS=.00 Ft
Rectangular Coordinates Referenced to Wellhead

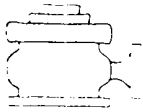
Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
7614.00	.00	225.00	7614.00	.00	.00	.00	.00	.00	.00
7644.00	17.90	225.00	7643.51	-3.29	-3.29	4.65	4.65	225.00	59.68
7674.00	35.81	225.00	7670.17	-12.83	-12.83	18.15	18.15	225.00	59.68
7704.00	53.71	225.00	7691.38	-27.71	-27.71	39.19	39.19	225.00	59.68
7734.00	71.62	225.00	7705.10	-46.48	-46.48	65.73	65.73	225.00	59.68
7764.00	89.52	225.00	7710.00	-67.32	-67.32	95.20	95.20	225.00	59.68
7764.80	90.00	225.00	7710.00	-67.88	-67.88	96.00	96.00	225.00	59.68
7864.80	90.00	225.00	7710.00	-138.59	-138.59	196.00	196.00	225.00	.00
7964.80	90.00	225.00	7710.00	-209.30	-209.30	296.00	296.00	225.00	.00
8064.80	90.00	225.00	7710.00	-280.01	-280.01	396.00	396.00	225.00	.00
8164.80	90.00	225.00	7710.00	-350.73	-350.73	496.00	496.00	225.00	.00
8264.80	90.00	225.00	7710.00	-421.44	-421.44	596.00	596.00	225.00	.00
8364.80	90.00	225.00	7710.00	-492.15	-492.15	696.00	696.00	225.00	.00
8464.80	90.00	225.00	7710.00	-562.86	-562.86	796.00	796.00	225.00	.00
8564.80	90.00	225.00	7710.00	-633.57	-633.57	896.00	896.00	225.00	.00
8664.80	90.00	225.00	7710.00	-704.28	-704.28	996.00	996.00	225.00	.00
8764.80	90.00	225.00	7710.00	-774.99	-774.99	1096.00	1096.00	225.00	.00
8864.80	90.00	225.00	7710.00	-845.70	-845.70	1196.00	1196.00	225.00	.00
8964.80	90.00	225.00	7710.00	-916.41	-916.41	1296.00	1296.00	225.00	.00
9064.80	90.00	225.00	7710.00	-987.12	-987.12	1396.00	1396.00	225.00	.00
9164.80	90.00	225.00	7710.00	-1057.83	-1057.83	1496.00	1496.00	225.00	.00
9264.80	90.00	225.00	7710.00	-1128.54	-1128.54	1596.00	1596.00	225.00	.00
9364.80	90.00	225.00	7710.00	-1199.25	-1199.25	1696.00	1696.00	225.00	.00
9464.80	90.00	225.00	7710.00	-1269.96	-1269.96	1796.00	1796.00	225.00	.00
9535.56	90.00	225.00	7710.00	-1320.00	-1320.00	1866.76	1866.76	225.00	.00

Company: Yates Petroleum Corporation
Lease/Well: State K #3



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Lease/Well: State K #3

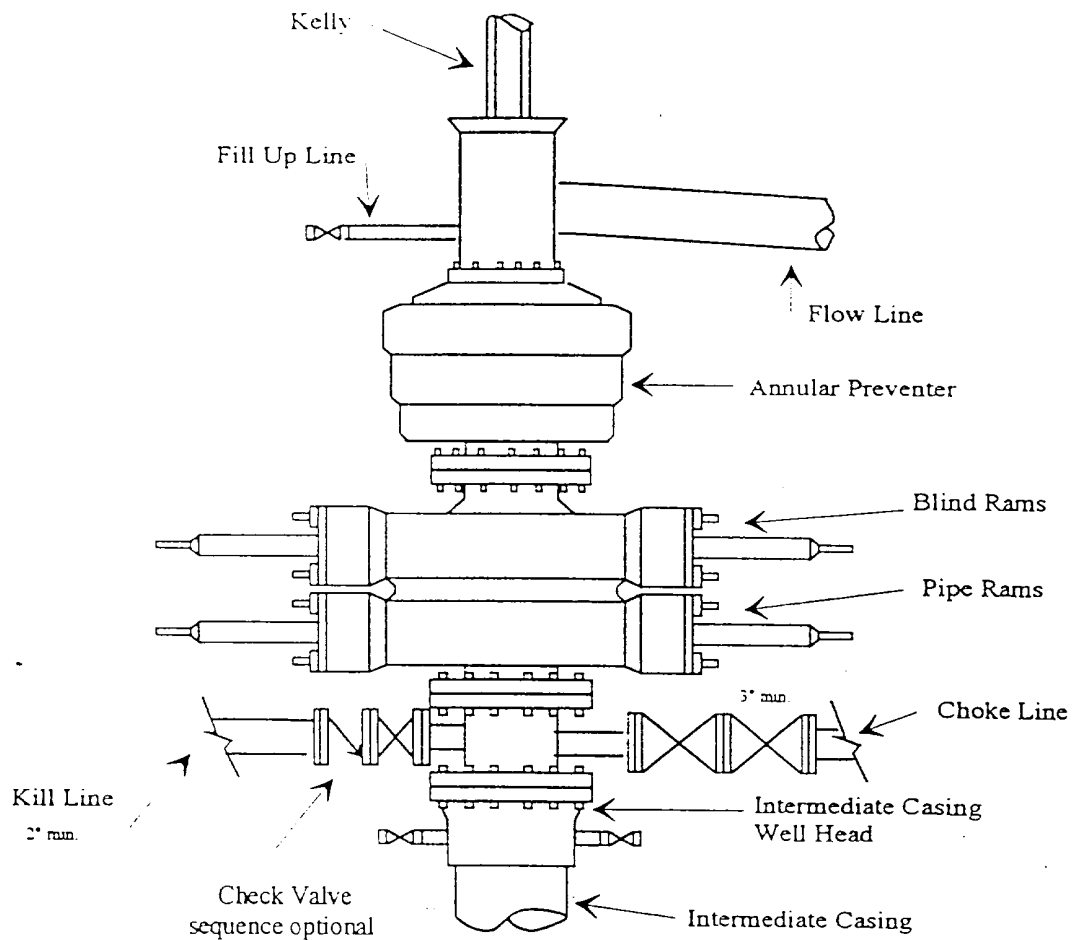




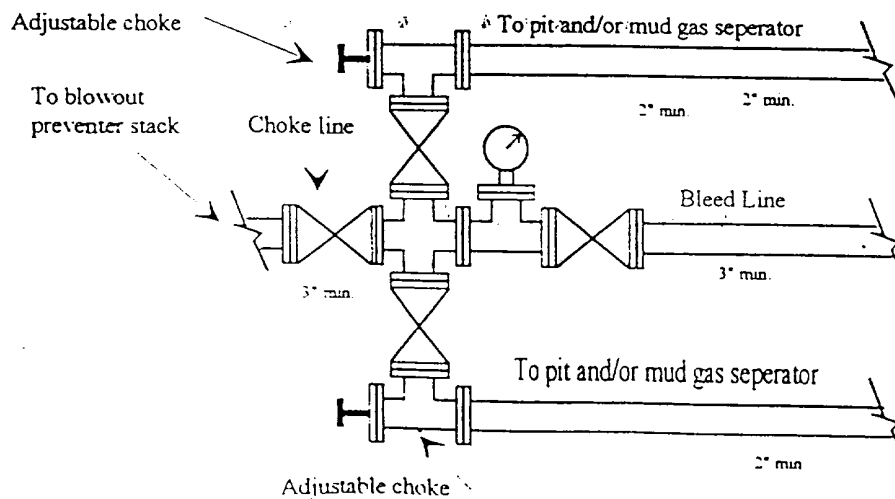
Yates Petroleum Corporation

BOP-3

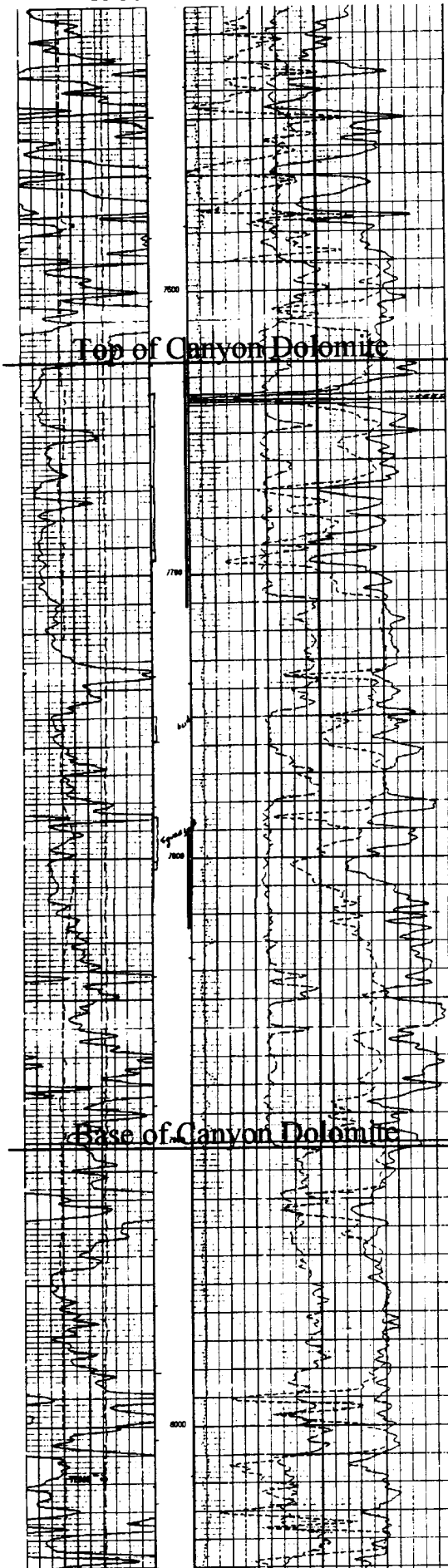
Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



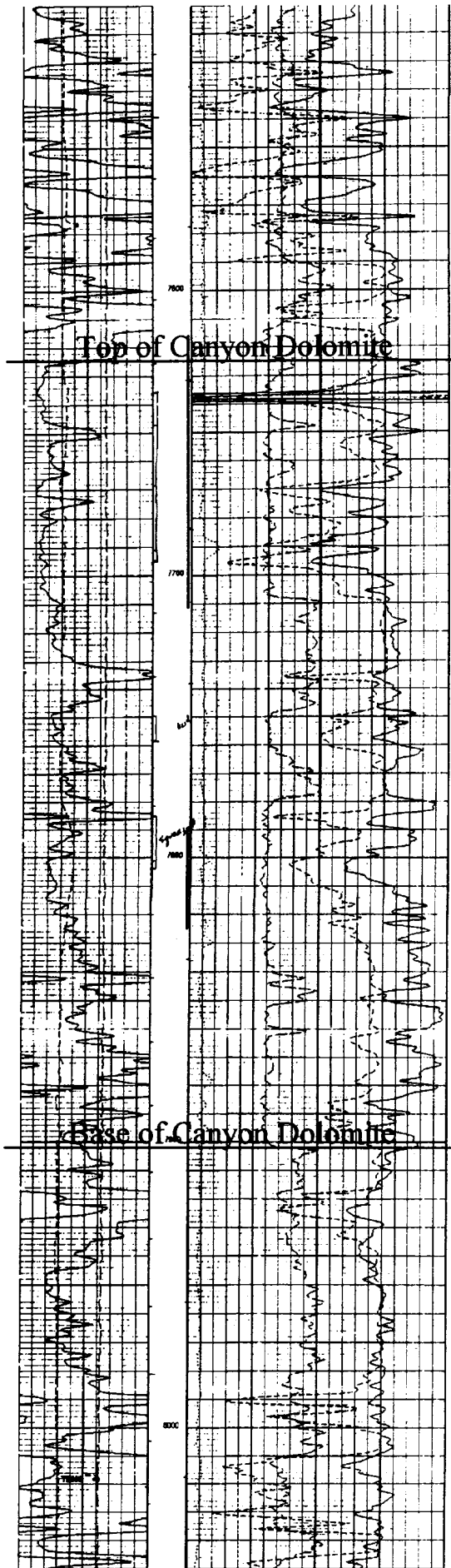
Typical 3,000 psi choke manifold assembly with at least these minimum features



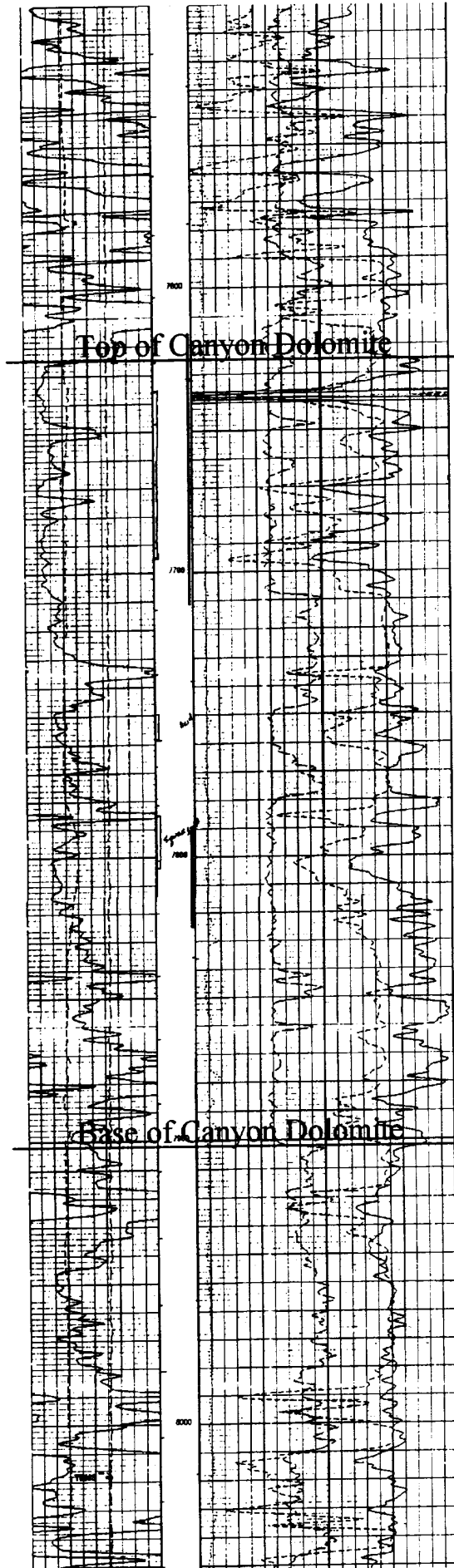
YATES PETROLEUM CORP
STATE "K" 3
19.0S 25.0E 028
1980' FSL & 1980' FWL



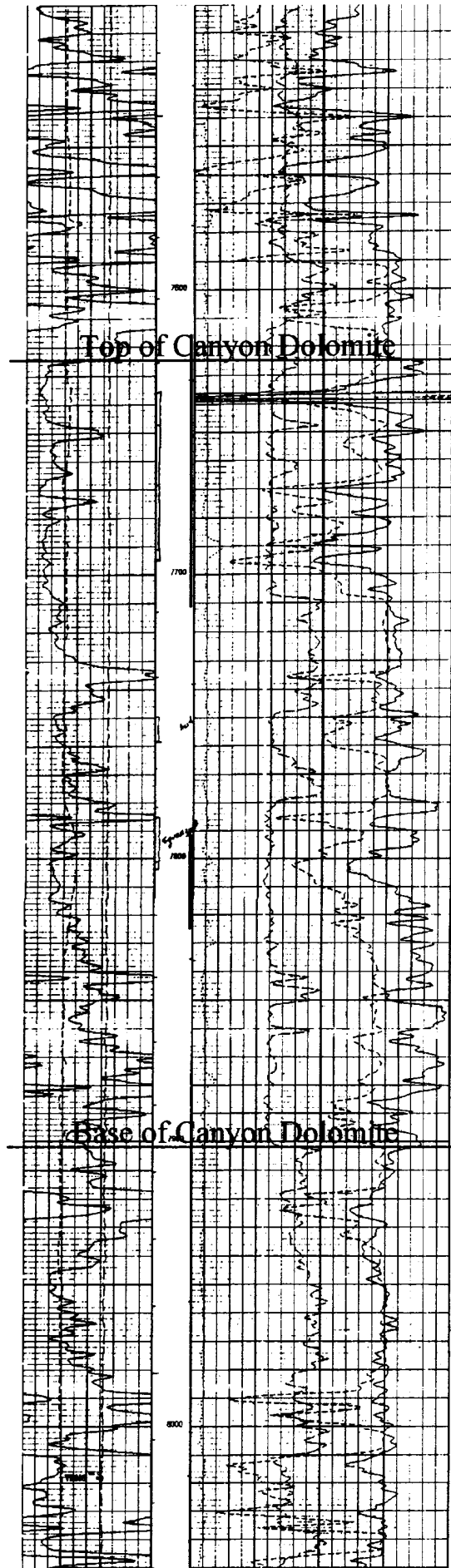
YATES PETROLEUM CORP
STATE "K" 3
19.0S 25.0E 028
1980' FSL & 1980' FWL



YATES PETROLEUM CORP
STATE "K" 3
19.0S 25.0E 028
1980' FSL & 1980' FWL



YATES PETROLEUM CORP
STATE "K" 3
19.0S 25.0E 028
1980' FSL & 1980' FWL



YATES PETROLEUM CORP

STATE "K" 3

19.0S 25.0E 028

1980' FSL & 1980' FWL

