District I PO Box 1980, Hobbs, NM 88241-1980 District [

State of New Mexico Energy, Minerais & Natural Resources Department

Form C-101 Revised February 10, 1994

PO Drawer DD, Artesia, NM 88211-0719 District III

Instructions on back Submit to Appropriate District Office

State Lease - 6 Copies

OIL CONSERVATION DIVISION PO Box 2088 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87504-2088 District IV Fee Lease - 5 Copies PO Box 2088, Santa Fe, NM 87504-2088 AMENDED REPORT APPLICATION FOR PERMIT TO DRILL, RE-ENTER OR ADD A ZONE Operator Name and Address. OGRID Number YATES PETROLEUM CORPORATION 025575 MAR 27 1995 105 South Fourth Street 'API Symbot 14 Artesia, New Mexico **Property Code** 16873 · Well No. Vann APD DIST. 2 #1 Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South fine Feet from the D 21 East/West line 19S 25E County 660' North 660 West Eddy 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 County Proposed Pool I Dagger Draw; Upper Penn, North " Proposed Pool 2 Work Type Code 12 Well Type Code 13 Cable/Rotary " Lease Type Code 15 Ground Level Elevation Rotary 3498 " Multiple " Proposed Depth 16 Formation " Contractor 14 Spud Date NO 8300 Canyon Not Determined **ASAP** ²¹ Proposed Casing and Cement Program Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement 14 3/4" 5/8" Estimated TOC 36# J-55 1150 1100 sx 8 3/4" Circulated 23#, 26# TT 1350 sx J-55, N-80 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 wishes to drill and test the Canyon and intermediate formations. Approximately 1150' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. MUD PROGRAM: FW Gel/LCM to 1150; FW to 5200'; Cut Brine/KCL to 7200'; Cut brine/KCL BOP ROGRAM: BOP's and hydrill will be installed on the 9 5/8" casing and tested daily 1 I hereby certify that the information given above it true and complete to the best of my knowledge a OIL CONSERVATION DIVISION Signature: Approved by: ORIGINAL SIGNED BY TIM W. GUM Printed name: Title: Ken Beardemphl DISTRICT II SUPERVISOR Title: Landman 3-24-95 Conditions of Approval: 505-748-1471

Attached

District I PO Box 1980, Hobbs, NM \$224-1980 District II

PO Drawer DD, Artesia, NM #211-0719 District III

1000 Rio Brazos Rd., Aziec. NM 87410 District IV

PO Box 2088, Santa Fc, NM \$504-2088

Section

12 Dedicated Acres 13 Joint or Infill

UL or lot no.

1.60

Township

Range

State of New Mexico Energy, Minerals & Natural Resources Department

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

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Submit to Appropriate District Office

East/West line

Feet from the

State Lease - 4 Copies

County

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Dagger Draw; Upper Penn, North Well Number VANN APD · Elevation 1 Operator Name OGRID No. 3498. YATES PETROLEUM CORPORATION 025575 ¹⁰ Surface Location East/West line County Feet from the North/South line Feet from the Lot Idn Township Range UL or lot no. Section **EDDY** WEST 660 NORTH 660 19S 25E 21 D 11 Bottom Hole Location If Different From Surface

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED

Feet from the

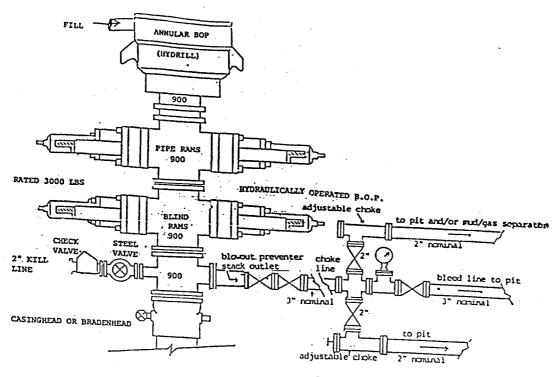
Lot Ide

" Consolidation Code | " Order No.

North/South line

OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my inowiedge and belled Ken Beardemphl Title Landman 3-24-95 18SURVEYOR CERTIFICATION I hereby certify that the well location shown on this pict 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. of Phy Carron ł Cerulan PESPS NO

YATES PETROLEUM CORPORATION



typical choke manifold assemby for 14 rated working pressure service-surface installation

THE FOLLOWING CONSTITUES THE MINIMUM BLOWOUT PREVENTER REQUIREMENTS FOR 3000 PSI WP SYSTEMS

- All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
- Choke outlet to be a minimum of 3" diameter.
- 3. Kill line to be of all steel construction of 3" minimum diameter.
- All connections from operating manifolds to preventers to be all steel. Hole or tube to be a minimum of one inch in diameter.
- 5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
- All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
- 7. Inside blowout preventer to be available on rig floor.
- 8. Operating controls to be located a safe distance from the rig
- 9. Hole must be kept filled on trips below intermediate casing.