

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

RECEIVED

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		MAR 27 1995 OIL CON. DIV. DIST. 2	' OGRID Number 025575
' Property Code 15487	' Property Name Hinkle ALD		' API Number 30-015-28415
			' 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
H	28	19S	25E		1980	North	660	East	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	East/West line	County
' Proposed Pool 1 Dagger Draw; Upper Penn, North					15472				
' Proposed Pool 2									

' Work Type Code N	' Well Type Code 0	' Cable/Rotary Rotary	' Lease Type Code P	' Ground Level Elevation 3471
' Multiple No	' Proposed Depth 8300	' Formation Canyon	' Contractor Not Determined	' Spud Date ASAP

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	9 5/8"	36# J-55	1150	1100 sx	Circulated
8 3/4"	7"	23#, 26# J-55, N-80	TD	1350 sx	CIRC

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 Starch to TD.

BOP PROGRAM: BOP's and hydrill will be installed on the 9 5/8" casing and tested daily.

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

Signature: *Ken Beardemphl*  
 Printed name: Ken Beardemphl  
 Title: Landman  
 Date: 3-24-95  
 Phone: 505-748-1471

OIL CONSERVATION DIVISION	
Approved by: ORIGINAL SIGNED BY TIM W. GUM	
Title: DISTRICT II SUPERVISOR	
Approval Date: MAR 27 1995	Expiration: 3-31-95
Conditions of Approval: Attached <input type="checkbox"/>	Notify N.M.O.C.C. in sufficient time to witness cementing the 9 5/8" casing

4158  
 BLM  
 OP

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-015-28415		2 Pool Code 15472		3 Pool Name Dagger Draw; Upper Penn, North	
4 Property Code HINKLE ALD		5 Property Name			6 Well Number 3
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 3471.

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
H	28	19S	25E		1980	NORTH	660	EAST	EDDY

11 Bottom Hole Location If Different From Surface

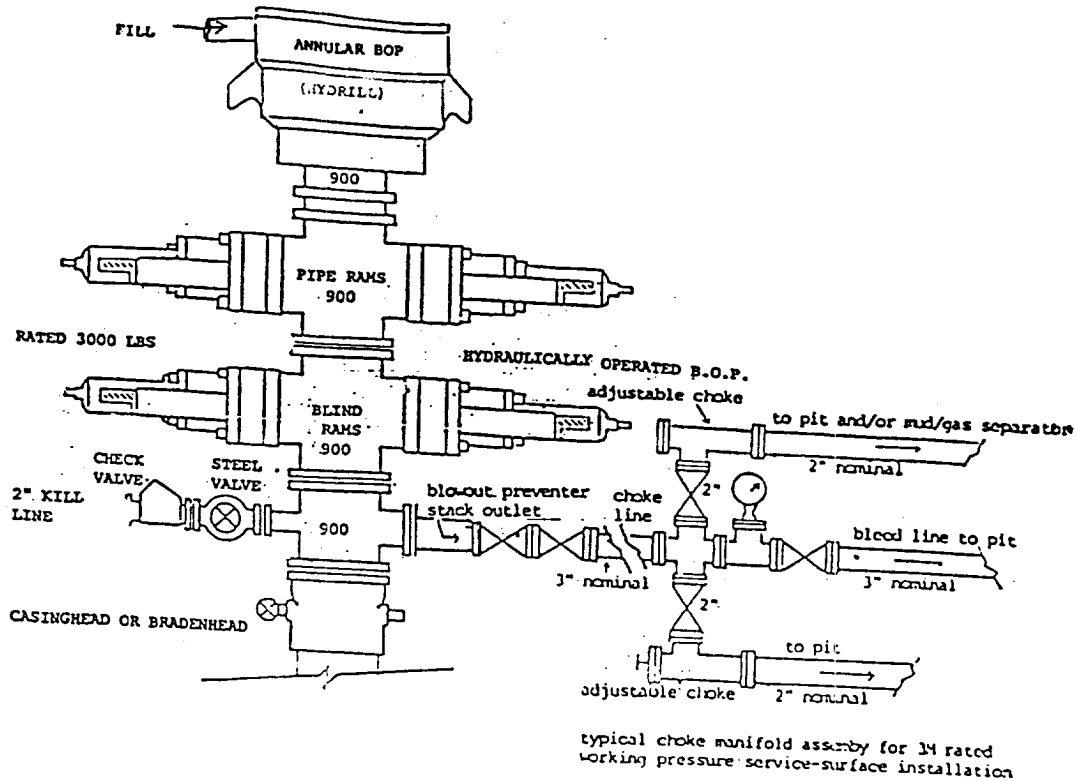
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WELL 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
					<p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Ken Beardemphl</i></p> <p>Printed Name: Ken Beardemphl</p> <p>Title: Landman</p> <p>Date: 3-24-95</p>
					18 SURVEYOR CERTIFICATION
					<p>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.</p> <p>Date of Survey: MARCH 23, 1995</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number: NM FE&amp;S NO. 5412</p>

# YATES PETROLEUM CORPORATION



## THE FOLLOWING CONSTITUTES THE MINIMUM BLOWOUT PREVENTER REQUIREMENTS FOR 3000 PSI WP SYSTEMS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" diameter.
3. Kill line to be of all steel construction of 3" minimum diameter.
4. 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.
6. 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 floor.
9. Hole must be kept filled on trips below intermediate casing.