

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

State of New Mexico  
Energy, Minerals & Natural ResourcesOIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Wildcat Morrow	
<sup>4</sup> Property Code		<sup>5</sup> Property Name BOX CANYON 34 "ATN" FEDERAL			<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 025575		<sup>8</sup> Operator Name YATES PETROLEUM CORPORATION			<sup>9</sup> Elevation 4540.

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	34	20-S	21-E		990	SOUTH	1980	WEST	EDDY

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<sup>16</sup>	<sup>17</sup> 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 May 4, 2000	
	<sup>18</sup> 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.	
	APRIL 21, 2000	
	Date of Survey	
	Signature and Seal of Professional Surveyor	

**YATES PETROLEUM CORPORATION**  
Box Canyon 34 "ATN" Federal #2  
990' FSL & 1980' FWL  
Sec. 34-T20S-R21-E  
Eddy County, New Mexico



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

Glorietta	1850'
Abo	3500'
Wolfcamp	4600'
Cisco	5900'
Strawn	7200'
Atoka	7600'
Morrow	8050'
Chester	8200'
TD	8400'

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

Water:           Approx 300'  
Oil or Gas:   All Potential Zones

3. Pressure Control Equipment: BOPE will be installed on the 9 5/8" casing and rated for 3000 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:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Thread</u>	<u>Interval</u>
17 1/2"	13 3/8"	48#	H-40	ST&C	0-350'
12 1/4"	9 5/8"	36#	J-55	ST&C	0-1900'
8 3/4"	7"	26#	L-80	LT&C	0-8400'



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

**B. CEMENTING PROGRAM:**

Surface casing: 400 sx "C" + 2% CaCl<sub>2</sub> (Yld 1.32 Wt. 15.6).

Intermediate: 550 sx Lite (Yld 2.0 Wt. 12.2); Tail in w/200 sx "C" + 2% CaCl<sub>2</sub> (Yld 1.32 Wt. 15.6)

Production: TOC = 4000, 500 sx Super "C" modified (Yld 1.63 Wt. 13.0)

**5. Mud Program and Auxiliary Equipment:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-350'	FW/Air Mist	8.4	28	N/C
350' - 1900'	FW/AirMist	8.4	28	N/C
1900' - 7200'	Cut Brine	8.6-9.2	28	N/C
7200' - 8400'	Salt Gel/Starch	9.5-10.0	32-38	<10

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: 10 samples ot from under surface casing.  
Logging: CNL/LDT, DLL - w/RXD - TD to casing.  
Coring: None anticipated.  
DST's: As warranted.

**7. Abnormal Conditions, Bottom hole pressure and potential hazards:**

Anticipated BHP:

From: 0	TO: 350	Anticipated Max. BHP:	175	PSI
From: 350	TO: 1900	Anticipated Max. BHP:	750	PSI
From: 1900	TO: 8400	Anticipated Max. BHP:	4200	PSI

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None.

H<sub>2</sub>S Zones Anticipated: None.

**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 20 days.

## **MULTI-POINT SURFACE USE AND OPERATIONS PLAN**

**Yates Petroleum Corporation**  
Box Canyon 34 "ATN" Federal #2  
990' FSL & 1980' FWL  
Sec. 34-T20S-R21-E  
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 wellsite is located approximately 36 miles southwest of Artesia, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

#### **DIRECTIONS:**

Go south of Artesia on Highway 285 to Rock Daisy Road (23). Turn west and go to Armstrong Road (12). Turn south and go approximately 7 miles and turn north on lease road to the Box Canyon #1 well. At the start of the #1 well turn west to start new road here.

### **2. PLANNED ACCESS ROAD**

- A. The proposed new access will be approximately 2100' in length from the point of origin to the southeast of the drilling pad. The road will lie in a west to east 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 turnout 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 drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

### **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.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to re-enter the proposed well with a salt brine system. The salt brine will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Dirt contractor will locate closet pit and obtain any permits and materials needed for construction.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES: None.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Federal surface, Administered by the Bureau of Land Management, Carlsbad, New Mexico

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Ken Beardemphl, Landman  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Phone (505) 748-1471

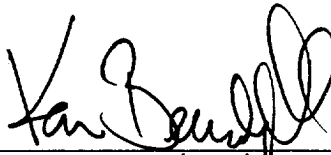
B. Through Drilling Operations,  
Completions and Production:

Brian Collins, Operations Manager  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Phone (505) 748-1471

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

05/04/2000

  
Landman

**YATES PETROLEUM CORPORATION**  
105 SOUTH 4TH STREET  
ARTESIA, NEW MEXICO 88210

Y

Box Canyon 34 "ATN" Federal #2  
990' FSL & 1980' FWL  
Section 34, T20S-R21E  
Eddy County, New Mexico  
NM-37826

EXHIBIT B  
NM-100630

STRYCHNINE  
DRAW

Topo Map

T 20 S R 21 E

T 20 1/2 S

T 21 S

N-0000611

(BOX CANYON RA)  
5049 11 SW

HOPE IN MEX. #31 20 MI

7 5' 32" 30"

1100

1199

1198

1197

24 1102

25 7 5' 32" 30"

36

36

36

26

35

35

27

34

34

Goat

X4592

34

34

Draw

Draw

Segrest

Strychnine  
Cwp

Row  
#196

Row  
#154

Box Canyon  
34 ATN  
Fed #1

Box Canyon  
34 ATN  
Fed #1

Box Canyon  
#2

DEER CANYON  
34 ATN Fed #2

CK-12

YPC  
Row

CK-12

CK-12

CK-12

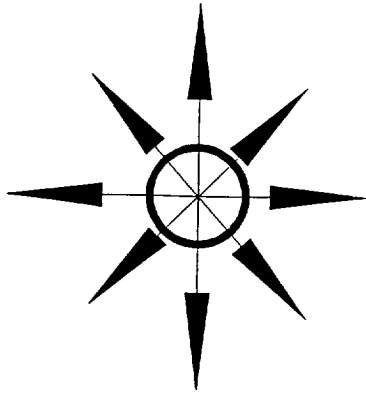
CK-12

CK-12

CK-12

CK-12

CK-12

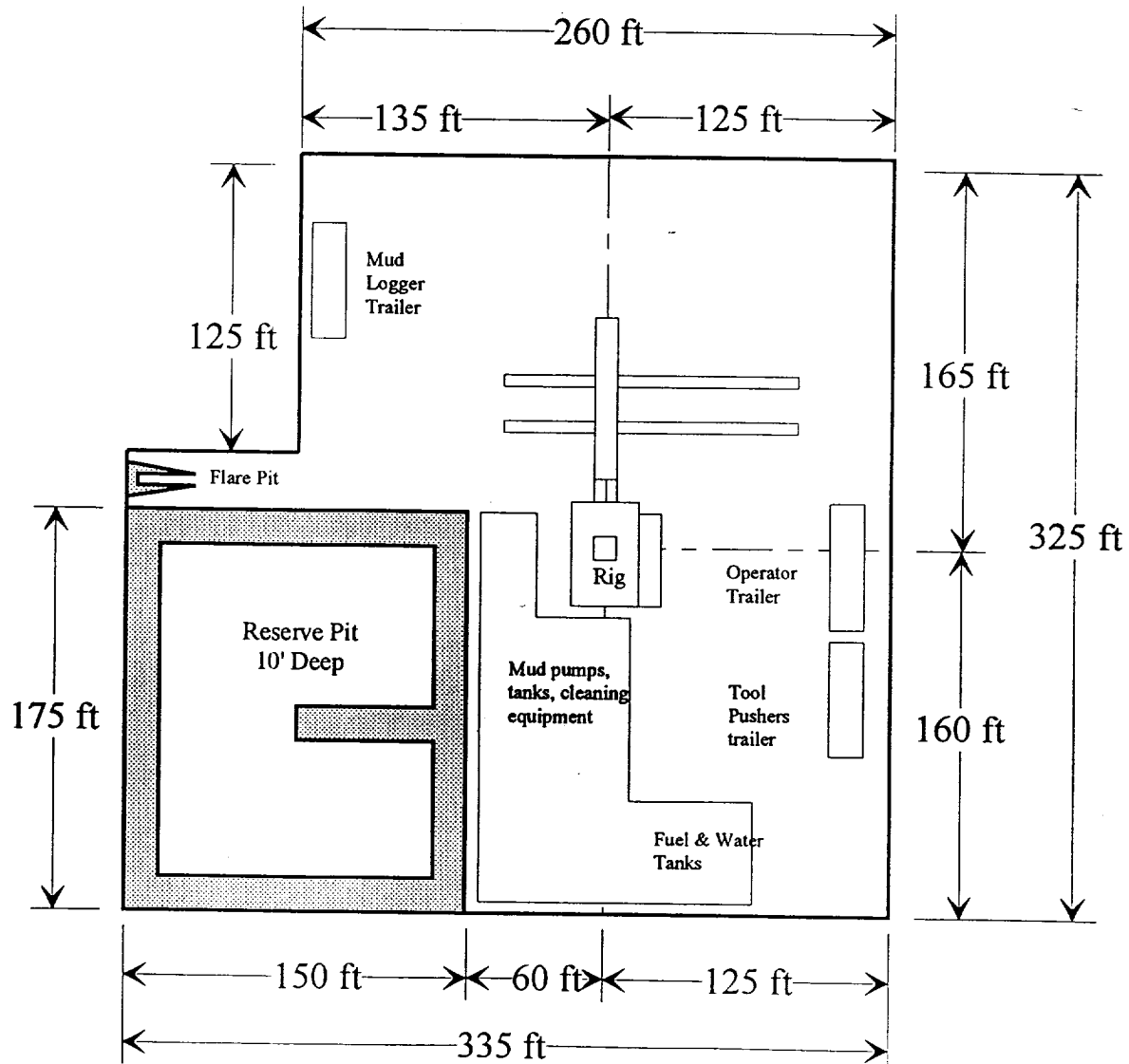


**YATES PETROLEUM CORPORATION**  
105 SOUTH 4TH STREET  
ARTESIA, NEW MEXICO 88210

PB - L1

Y

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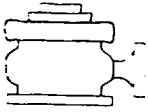


Distance from Well  
Head to Reserve Pit  
will vary between rigs

The above dimension  
should be a maximum

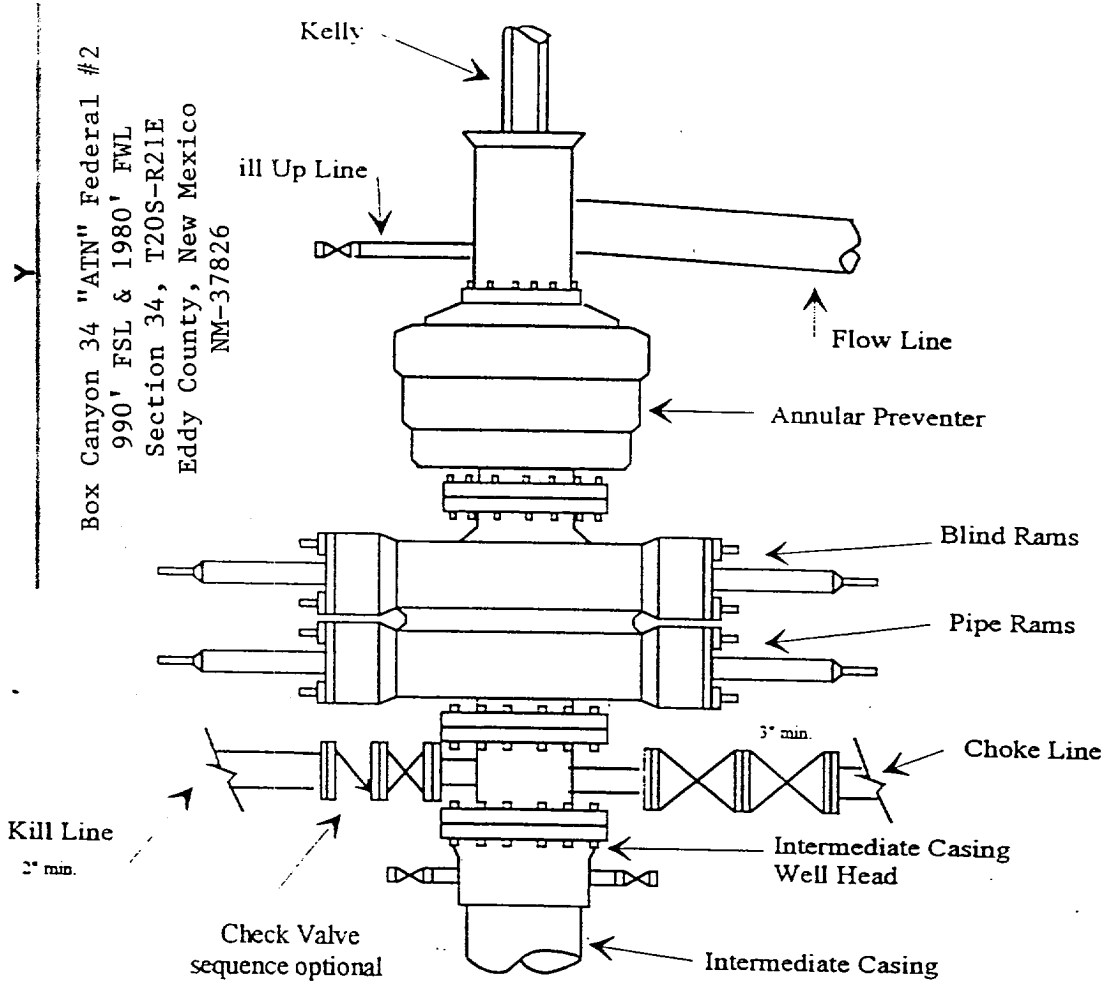


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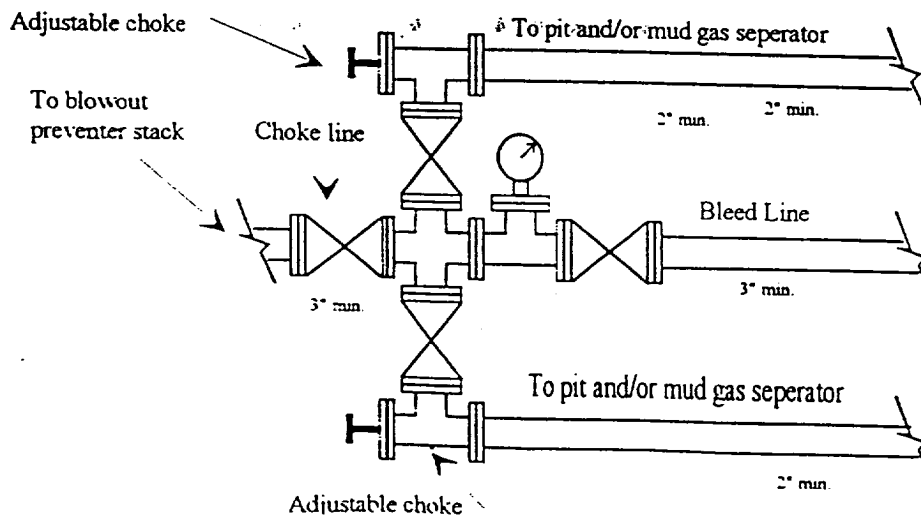


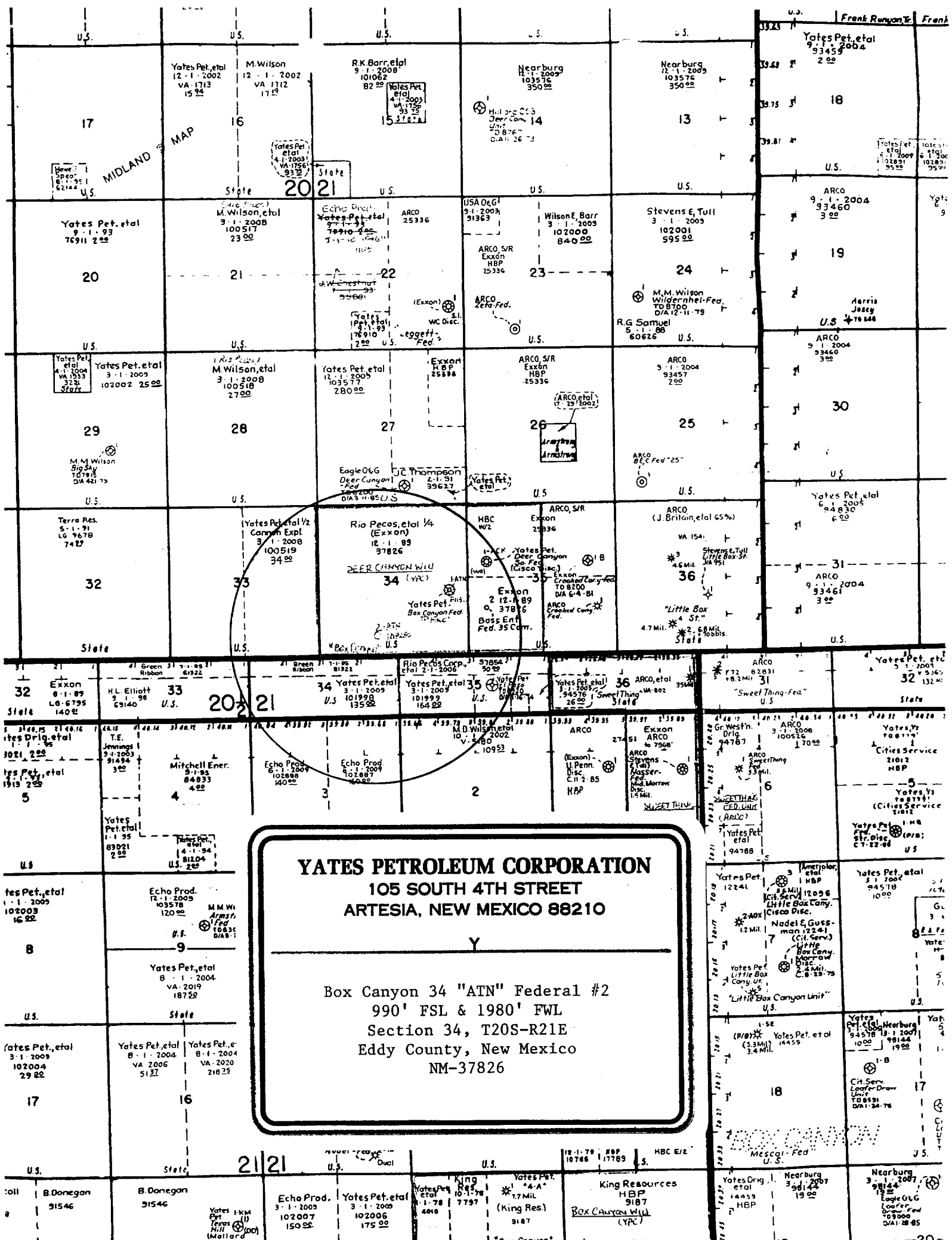
**Yates Petroleum Corporation**  
 Typical 3,000 psi Pressure System  
 Schematic  
 Annular with Double Ram Preventer Stack

BOP-3



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





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