

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

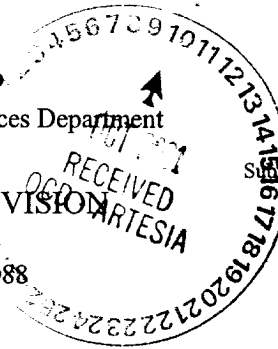
DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

State of New Mexico
Energy, Minerals and Natural Resources Department

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



Form C-101
Revised March 17, 1999
Instructions on back
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- 32044
⁴ Property Code 12553	⁵ Property Name Medano "VA" State	⁶ Well No. 10

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
XJ	16	23S	31E		1650	South	2310	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
⁹ Proposed Pool 1 Los Medano Delaware						¹⁰ Proposed Pool 2 Secretary's Potash Order			

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3368'
¹⁶ Multiple N	¹⁷ Proposed Depth 8200	¹⁸ Formation Delaware	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	600'	700 sx	Surface
11"	8 5/8"	32#	4100'	1400 sx	Surface
7 7/8"	5 1/2"	15.5# + 17#	8200'	Stage 1-500sx	TOC-6200'
			DV Tool@4050'	Stage 2-400sx	Surface

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 productivity. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 600' of surface casing will be set and cement circulated. Intermediate casing will be set at 4100' and cemented to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-600' FW/Native Mud; 600'-4100' Brine; 4100'-6800' Cut Brine; 6800'-8200' Cut Brine/Starch.

BOPE PROGRAM: A 3000# BOPE will be installed on the 8 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.

Signature:

Clifton May

Printed name: Clifton May

Title: Regulatory Agent

Date:

10/10/01

Phone:

(505) 748-1471

Approved by:

ORIGINAL SIGNED BY TIM W. GUM

DISTRICT II SUPERVISOR

Title:

Approval Date:

OCT 12 2001

Expiration Date:

OCT 12 2002

Conditions of Approval

Attached ☐

DISTRICT I
1835 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 and Natural Resources Department

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

API Number	Pool Code	Pool Name <i>LOS MEDANO DELAWARE</i>
Property Code	Property Name <i>MEDANO "VA" STATE</i>	Well Number <i>10</i>
OCED No. <i>025575</i>	Operator Name <i>YATES PETROLEUM CORPORATION</i>	Elevation <i>3368</i>

Surface Location

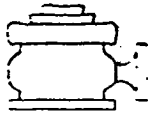
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<i>J</i>	<i>16</i>	<i>23S</i>	<i>31E</i>		<i>1650</i>	<i>SOUTH</i>	<i>2310</i>	<i>EAST</i>	<i>EDDY</i>

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
Dedicated Acres <i>40</i>	Joint or Infill	Consolidation Code	Order No.						

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

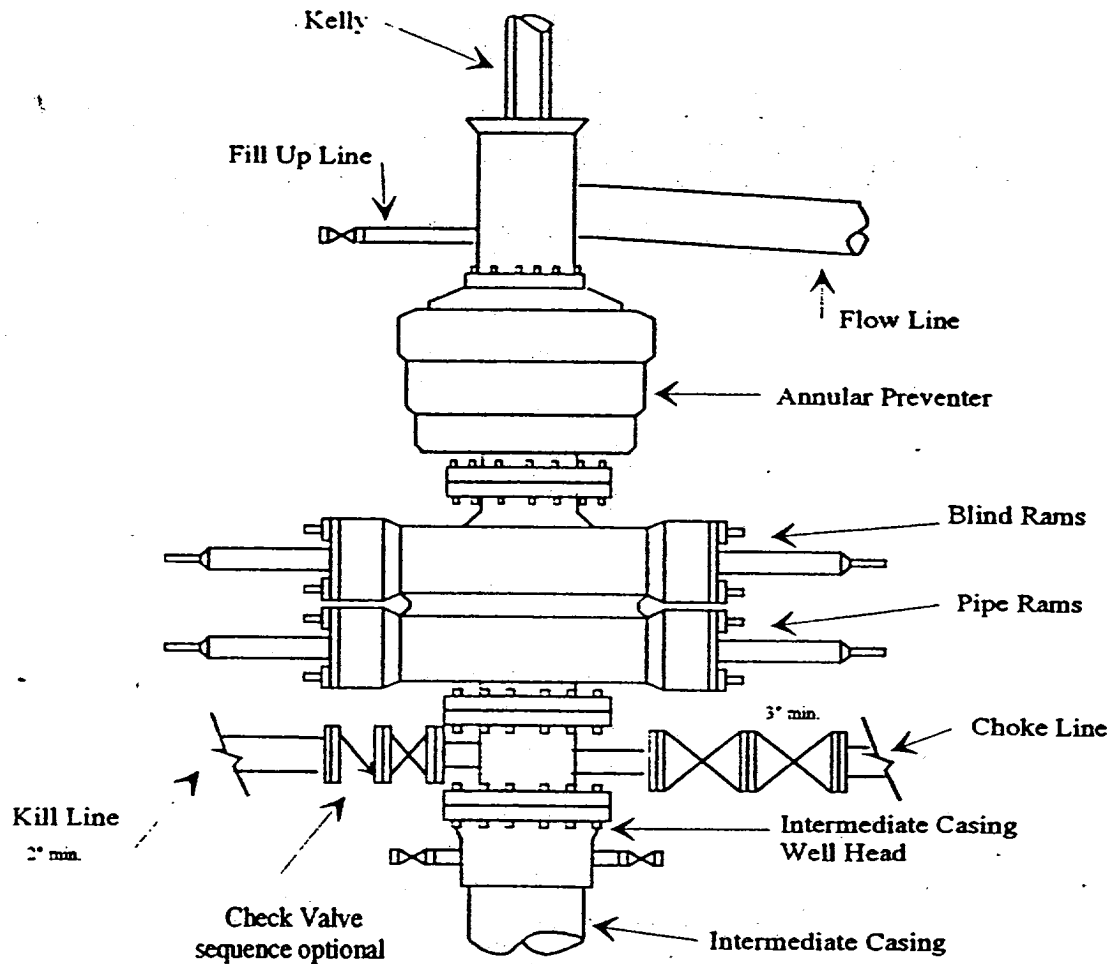
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Clifton May</i> Signature <i>CLIFTON MAY</i> Printed Name <i>REGULATORY AGENT</i> Title <i>OCTOBER 10, 2001</i> Date	
	SURVEYOR CERTIFICATION I hereby certify that 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. <i>9/18/2001</i> Date Surveyed	
	Signature & Seal of Professional Surveyor 	
	Certificate No. <i>Herschel C. Jones RLS 3640</i> <i>MEDANO TO LAND</i> GENERAL SURVEYING COMPANY	



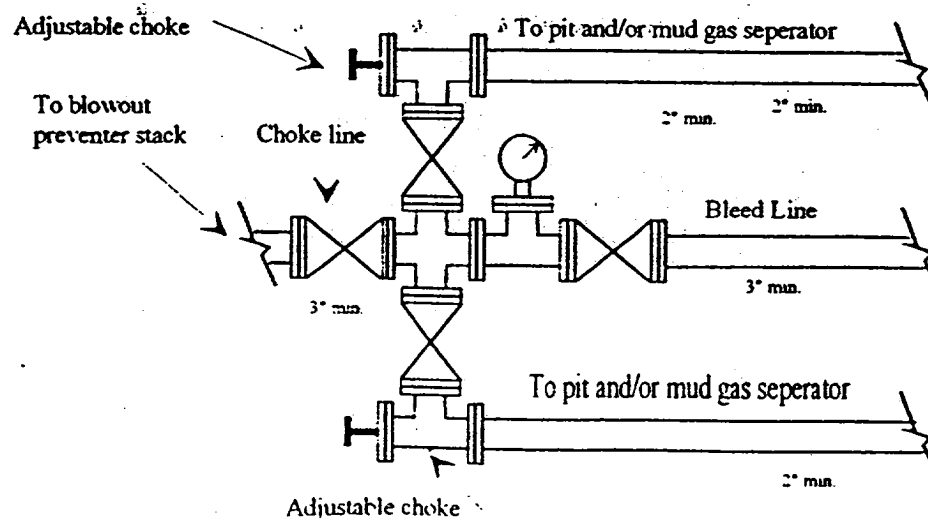
ates Petroleum Corporation

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



MARTIN YATES, III
1912 - 1985
FRANK W. YATES
1936 - 1986



105 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210-2118
TELEPHONE (505) 748-1471

S. P. YATES
CHAIRMAN OF THE BOARD
JOHN A. YATES
PRESIDENT
PEYTON YATES
EXECUTIVE VICE PRESIDENT
RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

October 10, 2001

Mr. John Purcell, Chief Mine Engineer
IMC Carlsbad Potash Company
P.O. Box 71
Carlsbad, New Mexico 88211-0071

CERTIFIED MAIL
Return Receipt Requested
7001 0320 0001 3353 4402

Dear Mr. Purcell:

Yates Petroleum Corporation is the operator of the Oil and Gas Lease V-120. We have staked the following location:

Medano "VA" State #10
1650' FSL and 2310' FEL
Section 16-T23S-R31E
Eddy County, New Mexico

An Application to Drill is being filed with the Oil Conservation Division.

We have been advised that your company is the owner of record of certain potash leases in this area. We respectfully requested that you waive any objection you may have to this proposed well location and so indicate by signing and returning one copy of this letter in the enclosed envelope.

Your favorable consideration of this request will be greatly appreciated.

Sincerely,

YATES PETROLEUM CORPORATION

Clifton R. May
Permit Agent

CRM/dc
Enclosure(s)

☐ **NO OBJECTION OFFERED**
IMC Carlsbad Potash Company

By: _____

Title: _____

Date: _____

☐ **OBJECTION OFFERED**
IMC Carlsbad Potash Company

By: _____

Title: _____

Date: _____

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. John Purcell, Chief Mine Engineer
IMC Carlsbad Potash Company
P.O. Box 71
Carlsbad, NM 88211-0071

2. Article Number (71)

7001 0320 0001 3353 4402

Medano "VA" State #10

PS Form 3811, March 2001

Domestic Return Receipt

102595-01-M-1424

COMPLETE THIS SECTION ON DELIVERY

A. Received (Please Print Clearly)

B. Date of Delivery

C. Signature

X

☐ Agent

☐ Addressee

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

U.S. Postal Service

CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage

\$

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

\$

Postmark
Here

Sent To

Street, Apt. No.,
or PO Box No.

City, State, ZIP+4

PS Form 3820, January 2001

See Reverse for Instructions

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS FOR POSTAL DOTTED LINE.

CERTIFIED MAIL



7001 0320 0001 3353 4402
7001 0320 0001 3353 4402