

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

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

Operator Name and Address Yates Energy Corporation P. O. Box 2323 Roswell, New Mexico 88201		25542 GRID Number	30 - 025-29332 API Number
Property Code 11954	Property Name Maduro State Corn	Well No.	
Proposed Pool 1 Buffalo Penn South Gem Strawn East		Proposed Pool 2	

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	16	19S	33E		1980	south	660	west	Lea

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

Additional Well Information

Work Type Code P	Well Type Code G	Cable/Rotary Pulling Unit	Lease Type Code S	Ground Level Elevation 3645 GR
Multiple No	Proposed Depth 12,950	Formation Strawn	Contractor whatever available	Spud Date 03/16-2006
Depth to Groundwater 116'		Distance from nearest fresh water well greater than 660'		Distance from nearest surface water NA
Pit: Liner: Synthetic <input checked="" type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: 213 bbls Drilling Method: Pulling Unit				
Closed-Loop System <input type="checkbox"/> earth pit 20X10X6 12-24 Mil Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
In well 17 1/2	12 3/8	54.5	116'	125	Surf
In well 12 1/4	9 5/8	37.0	5200	2150	Surf
In well 7 7/8	5 1/2	17.20 & 22	13712	1800	6700 by TS

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.

Squeeze Atoka Completin and complete in the Strawn formation

- 1.) Rig up Jarrel Services; Run GR-JB to profile; run BHP Static and gradient.
- 2.) Load casing; pressure test with 500 psig, if casing does not test, reopair before proceeding
- 3.) Pull out of the hole with tubing and test.
- 4.) Rig up wireline unit, run and set a CIBP @ estimated 12,950' K.B. and dump 35' cement on top.
- 5.) Spot 250 gallons 15% NeFe acid.
- 6.) Perforate 12,280' to 12,308' KB, top down with 3 shots per foot spaced 129 degrees.
- 7.) Go in the hole with production equipment and packer.
- 8.) Displace acid and swab/flow to test.
- 9.) Retreat if necessary.
- 10.) Run test as required and tie into production system.
- 11.) Pit is an earthen pit to be lined 20X10X6, 213 barrel pit.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Plugback

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: Sheryl L. Jonas

Title: Agent for Yates Energy Corp.

E-mail Address: Sjonas4011@aol.com

Date: 03/09/06

Phone: 432-683-5511

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

MAR 20 2006

Expiration Date:

PETROLEUM ENGINEER

Conditions of Approval Attached ☐

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

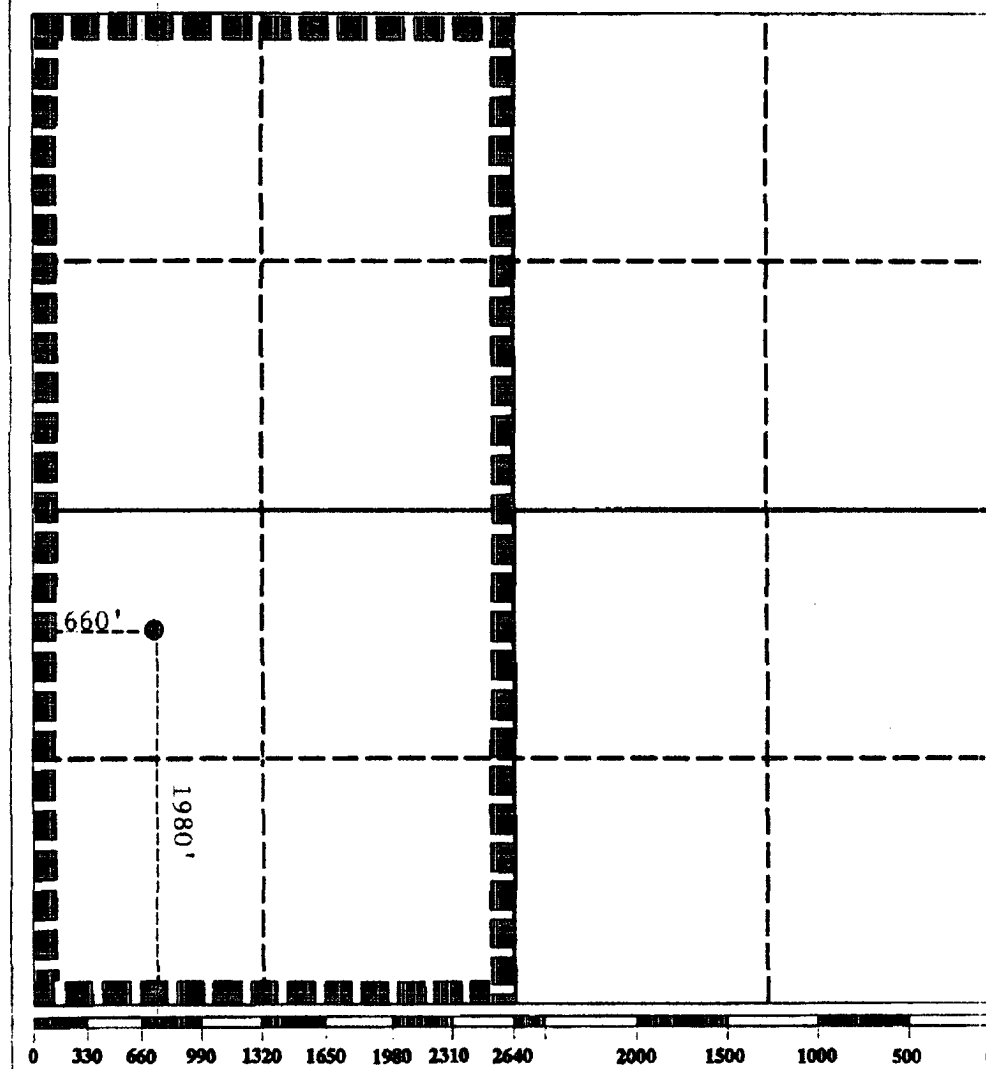
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Oryx Energy Company			Lease Maduro State Com.		Well No. 1
Unit Letter L	Section 16	Township 19-S	Range 33-E	County NMPM	Lea
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the West line					
Ground level Elev. 3645' GR		Producing Formation Atoka		Pool Tonto Atoka Gas	
				Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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
Maria L. Perez
Position
Proration Analyst
Company
Oryx Energy Company
Date
2-13-91

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 knowledge and belief.

Date Surveyed
Signature & Seal of Professional Surveyor
Certificate No.