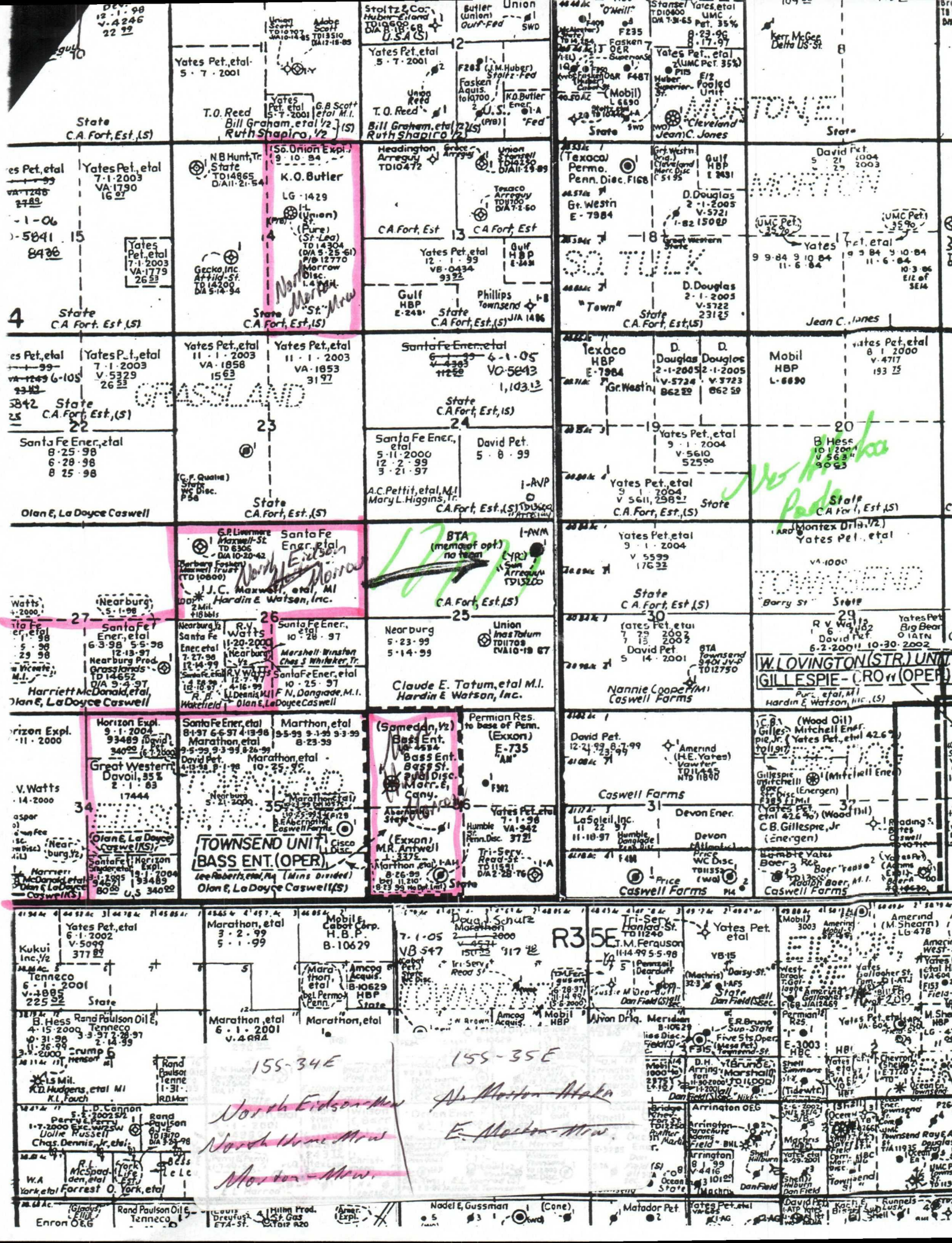




CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/18/01 10:34:43
OGOMES -TPNZ
PAGE NO: 1

Sec : 25 Twp : 15S Rng : 34E Section Type : NORMAL

D 40.00 Fee owned	C 40.00 Fee owned	B 40.00 Fee owned	A 40.00 Fee owned
E 40.00 Fee owned	F 40.00 Fee owned	G 40.00 Fee owned	H 40.00 Fee owned

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

07/18/01 10:34:47
OGOMES -TPN2
PAGE NO: 2

Sec : 25 Twp : 15S Rng : 34E Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Fee owned	Fee owned	Fee owned	Fee owned
M 40.00	N 40.00	O 40.00	P 40.00
Fee owned	Fee owned	Fee owned	Fee owned

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

(e) At the request of any interested person or upon the Division's own initiative, any pooling application submitted shall be set for full hearing with oral testimony by the applicant. [Rn, 19 NMAC 15.N.1207.A.(4), 7-15-99; A, 7-15-99]

(2) Unorthodox Well Locations: [1-1-87...2-1-96; Rn, 19 NMAC 15.N.1207.A.(5), 7-15-99; A, 7-15-99]

(a) Definition: "Affected persons" are the following persons owning interests in the adjoining spacing units:

1. the Division-designated operator;
2. in the absence of an operator, any lessee whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application is filed; and
3. in the absence of an operator or lessee, any mineral interest owner whose interest is evidenced by a written document of conveyance either of record or known to the applicant as of the date the application was filed.

In the event the operator of the proposed unorthodox well is also the operator of an existing adjoining spacing unit and ownership is not common between the adjoining spacing unit and the spacing unit containing the proposed unorthodox well, then "affected persons" include all working interest owners in that spacing unit. [1-1-87...2-1-96; N, 7-15-99]

(b) If the proposed location is unorthodox by being located closer to the outer boundary of the spacing unit than permitted by rule, notice shall be given to the affected persons in the adjoining spacing units towards which the unorthodox location encroaches. [Rn, 19 NMAC 15.N.1207.A.(5).(a), 7-15-99, A, 7-15-99]

(c) If the proposed location is unorthodox by being located in a different quarter-quarter section or quarter section than provided in special pool orders, notice shall be given to all affected persons. [Rn, 19 NMAC 15.N.1207.A.(5).(a), A, 7-15-99]

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

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 30-025-29998
⁴ Property Code 26122	⁵ Property Name Arreguy "Avm"	⁶ Well No. 1

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15S	34E		810'	North	510'	East	Lea

⁸Proposed Bottom Hole Location If Different From Surface

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

⁹Proposed Pool 1

Wildcat Mississippian

¹⁰Proposed Pool 2

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 4035.5'
¹⁶ Multiple No	¹⁷ Proposed Depth 13,300'	¹⁸ Formation Mississippian	¹⁹ Contractor Not determined	²⁰ Spud Date ASAP

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.7#	519'	525 sx	In Place
12 1/4", 11"	8 5/8"	32 & 24 #	4800'	2600 sx	In Place
7 7/8"	5 1/2"	17#	11340'	1100 sx	In Place
4 3/4"	3 1/2"	8.81#	13300'	1000 sx	Circulated

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 productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary. Yates Petroleum Corporation plans to re-enter with a pulling unit, drill out plugs to the 5 1/2" casing stub at 4350', run 5 1/2" 17 lb/ft K-555 casing, splice and cement casing with approximately 500 sacks of class C. The splice will be inside the 8 5/8" casing. We'll then drill out splice pressure test casing, drill out remaining plugs to 5 1/2" casing shoe at 8516'. At this point the pulling unit will be replaced with a drilling rig. Cement plugs will be drilled out with a 4 3/4" bit to original TD of 12,050'. From here the well will be deepened with 4 3/4" bit to 13,300'. The new hole will be logged and if warranted 3 1/2" liner will be run and cemented from TD to 9500'. The well will then be perforated, acidized and fraced as needed to obtain production from the Morrow or shallower intervals.

²³ I hereby certify that the information given above is true and complete to the best of

my knowledge and belief.

Signature:

Printed name: Ken Beardemphl

Title: Landman

Date:

June 27, 2000

Phone:

505-748-1471

OIL CONSERVATION DIVISION

Approved by:

Title: FIELD REPRESENTATIVE II

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-entry

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 Resources

OIL 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

API Number 30-025-29998		Pool Code —	Pool Name Wildcat Mississippian
Property Code 26122	Property Name Arreguy "AVM"		Well Number 1
OGRID No. 025575	Operator Name Yates Petroleum Corporation		Elevation 4035.5'

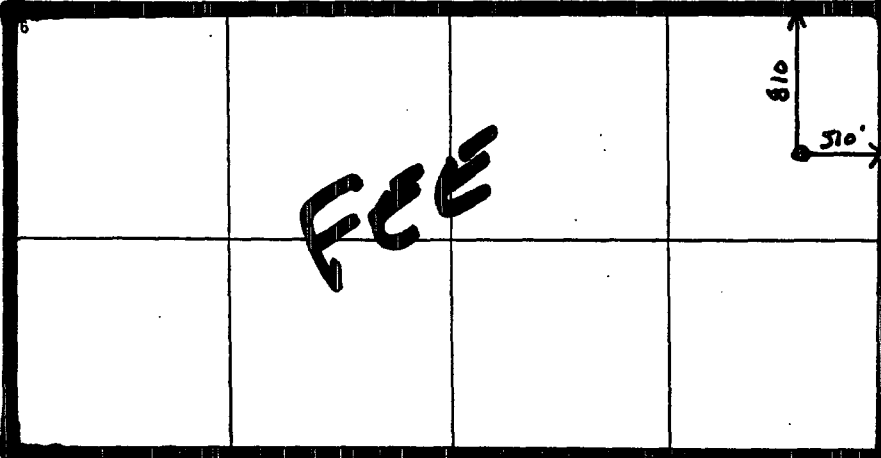
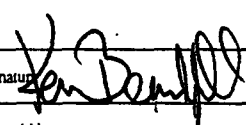
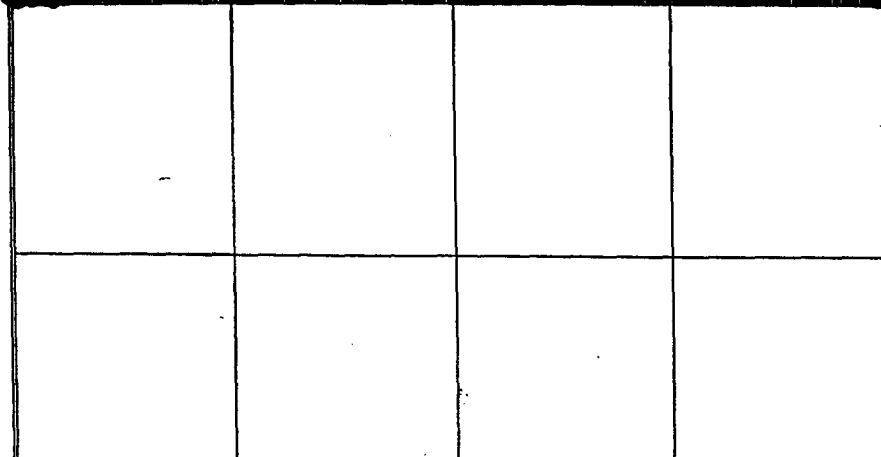
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	15S	34E		810'	North	510'	East	Lea

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
Dedicated Acres 320		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

				¹⁷ 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: June 27, 2000	
				¹⁸ 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.	
				Date of Survey Signature and Seal of Professional Surveyor: REFER TO ORIGINAL PLAT Certificate Number:	

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section.

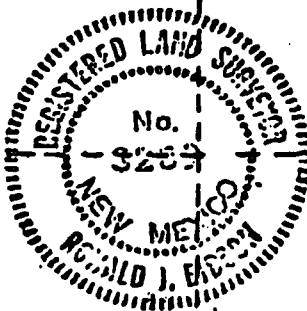
Operator Sun Exploration & Production Co.			Locality Arreguy 25		Well No. 1
Unit Letter A	Section 25	Township 15 South	Range 34 East	County Lea	
Actual Footage Location of Well: 810 feet from the North line and 510 feet from the East line					
Ground Level Elev. 4035.5	Producing Formation Straw		Pool Wildcat	Dedicated Acreage 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hocchure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Maria L. Perez
Name
Maria L. Perez

Position
Accounting Associate

Company
Sun Expl. & Prod. Co.

Date
8-7-87

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
August 5, 1987

Registered Professional Engineer and/or Land Surveyor

Ronald J. Eidson
Certificate No. **JOHN W. WEST** 676

ARREGUY No. 1

TOWNSEND NORTH CAI

ON OCTOBER 19, 19

☐ PRESENT COMPLETION

☐ SUGGESTED COMPLETION

PERMANENT WELL BORE DATA

DATA ON THIS COMPLETION

13 3/8", SA. S.#, K-55,
ST #C CSH. CS ± 519.
CMT'D W/ 525 SLS 'C'.
CIRC 59 SLS TO SURF.

56 yds (K-80) 56 yds (K-55) YAN 3760
8 5/8", 32 # 24 #, S-80
K-55, ST #C CSH.
CS ± 4800. CMT'D W/ T/SA 4500
2300 SLS PRESETTER
LITE + 300 SLS 'C'. CIRC
300 SLS TO SURFACE.

TOC ± 4400 VIA TEMP SURVEY

5 1/2" (K-55 But) 149 yds (K-55 But) 71 yds (K-80)
5 1/2", 17 #, K-55 # N-80,
BUTT. # LIT #C PRODUCTION
CSH. CS ± 11340, FC ± 11267
SC ± 8516. 1ST STAGE CMT'D
W/ 1100 SLS 'H' 50:50 PBZ.
OPEN SC, DID NOT CIRC CMT.
2ND STAGE CMT'D W/ 1100
SLS 'C' 50:50 PBZ. DID
NOT CIRC CMT. TOC ±
4400 VIA TEMP SURVEY.
Marker put @ 11016

SC: 8516
CS: 11340

ORIGINAL TD @ 12050

3 1/2" Liner 8.81 lb/ft L-80
Set @ 13,300'
w/ 1000 st (circulated)

TD 13,300'

AFTER

KB: 4056.5
GL: 4035.5

5 1/2" casing spliced
& cemented @ 4350

Stage collar @ 8516

Circulation. Cmt off stage

TOC @ 10135'

1-7-89 added Perf 10250-60

11-1-87 Perf 11200-25, 240-264; IP 3
BOFD + 469 MCF + 66 BW

← 4 3/4" hole