

DOCKET: Examiners Hearing - Thursday, September 9, 1993

Case #10820

WATTAM FEDERAL #1

Exhibit #1

Exhibit #2

Exhibit #3

Exhibit #4

Map

Offset Operators

Horizontal Drilling Procedure

Schematic

BEFORE EXAMINER CATANACH

OIL CONSERVATION DIVISION

Applicant EXHIBIT NO. 1, 2, 3, 4

CASE NO. 10820

Examiners Hearing - Thursday, September 9, 1993

EXHIBIT #2

Case #10820

WATTAM FEDERAL #1
NW/4NE/4
Section 6, T8S, R32E

Offset Operators:

Yates Petroleum Corporation
105 South 4th
Artesia, NM 88210

Yates Energy Corporation
P.O. Box 2323
Roswell, NM 88202-2323

Case # 10820

WATTAM FEDERAL #1

Unit B, NW/4NE/4
Section 6, T8S, R31E
CATO San Andres Field
Chaves County, New Mexico

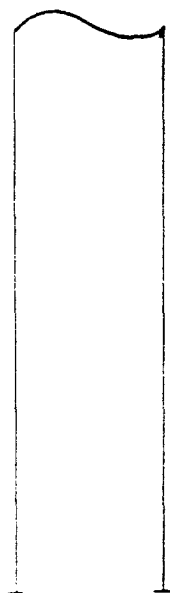
HORIZONTAL DRILLING PROCEDURE

1. Drill cement plugs: Surface to 400', 1122' to 1262', 3515' to 3550' and CIBP @ 3550'. Pressure casing to 1000 psi., prior to drilling CIBP.
2. Set cement retainer @ 3663'. Cement squeeze perforations 3678' to 3756'.
3. Set packer @ 3400'. Cement squeeze perforations 3641' to 3648'.
4. Drill out cement to 3663'.
5. Mill section in 5½" casing from approximately 3600' to 3650'. Set cement plug. Drill out cement to approximately 3630'.
6. Run directional survey.
7. Kickoff cement plug at approximately 3630'.
8. Drill 60+ feet radii curve to an inclination of approximately 85 to 90 degrees. Conduct surveys every 5 feet of the arc.
9. Drill laterally approximately 730+ feet in a direction of our choice, thru a vertical depth of approximately 3690' to 3734'.
10. Conduct surveys every 30 feet in the lateral.
11. A distance of 100' will be maintained by the horizontal hole from the boundaries of the 40 acre tract.

Case #10820

WATTAM FEDERAL #1

Perforations @
3641' - 3648'



Mill 5½" casing
3600' - 3650'

Cement plug
3630' - 3663'

Cement retainer
@ 3663'

Perforations
3678' - 3756'

