

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

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Submit to appropriate District Office

OCT 20 2004

OCD-ARTESIA

☐ AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-33061
³ Property Code 32246	⁵ Property Name Cigar BCM State Com	⁶ Well No. 2
⁹ Proposed Pool 1 Loving: Atoka, Southeast		¹⁰ Proposed Pool 2 Wildcat Strawn
⁹ Proposed Pool 3 Wildcat Wolfcamp		¹⁰ Proposed Pool 4

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
P	36	23S	27E		660	South	660	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

Additional Well Information

¹¹ Work Type Code PB	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3110'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Morrow	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____mils thick Clay <input type="checkbox"/> Pit Volume: _____bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

IN PLACE

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 plugback and recompleat this well as follows: Set a CIBP at 12,386'. Pull an ultra imaging log from 12,386' to 7900'. Discuss log result with the office and the possibility of using a block/suicide squeeze with the second set of perfs at 12,000' and 9900'. If no cement is present, perforate the 5-1/2" casing @ +/-12,000' with 4.42" holes. This squeeze will require 720 cu.ft. of cement. WOC 24 hrs before drilling out the retainer and running a CBL. The remainder of this procedure assumes that the squeeze operation was successful. Perforate Morrow 12,276'-12,280' (25) and 12,288'-12,298' (61). Stimulate as needed. Drill up CIBP at 12,386'. Set a composite plug at 12,226'. Perforate Atoka 12,156'-12,164' (49). Stimulate as needed. Swab test and evaluate, squeeze if excessively wet. Perforate Atoka 12,036'-12,048' (73) and 12,076'-12,086' (61). Stimulate as needed. Perforate Atoka 11,502'-11,508' (13), 11,570'-11,600' (61) and 11,704'-11,726' (45). Stimulate as needed. Consider producing. If not, set a CIBP at 11,452'. Perforate Strawn 11,292'-11,298' (37). Stimulate as needed. Consider producing. If not, set a CIBP at 11,242'. Perforate Wolfcamp 10,466'-10,480' (29) and 10,502'-10,514' (25). Stimulate as needed.

²³ 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 NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: *Tina Huerta*

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tinah@ypcnm.com

Date: October 19, 2004

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

Title:

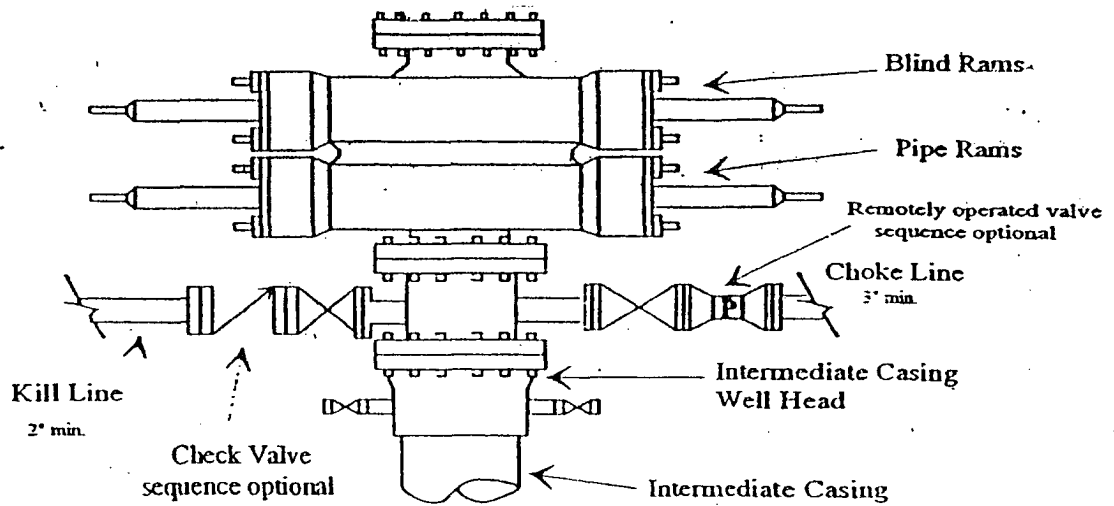
Approval Date: OCT 25 2004

Expiration Date: OCT 25 2005

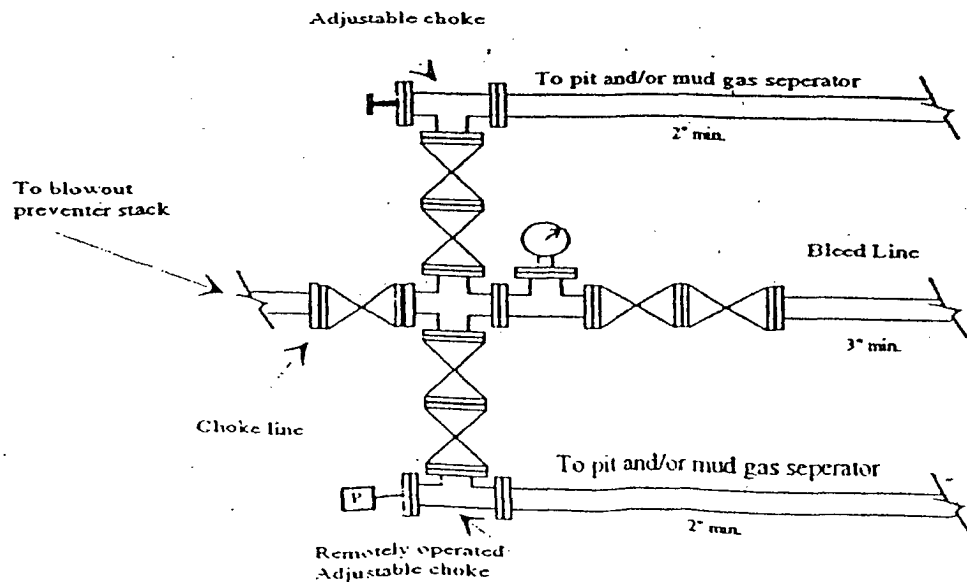
Conditions of Approval Attached ☐

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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 19, 2004

Mr. Bryan Arrant
Oil Conservation Division, District II Office
1301 W. Grand Ave.
Artesia, NM 88210

RECEIVED
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OCD-ARTESIA

Re: Cigar BCM State Com #2
Section 36-T23S-R27E
Eddy County, New Mexico
H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Atoka Formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta
Regulatory Compliance Supervisor

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
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OCT 20 2004
OCCUPANCY ☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-33061		² Pool Code	³ Pool Name Wildcat Wolfcamp
⁴ Property Code 32246	⁵ Property Name Cigar BCM State Com		⁶ Well Number 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 3110'GR

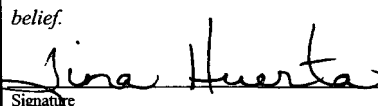
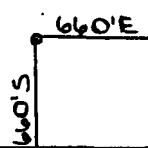
¹⁰ Surface Location

UL or lot no. P	Section 36	Township 23S	Range 27E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line East	County Eddy
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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
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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

16	VA-1833	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Tina Huerta Printed Name Regulatory Compliance Supervisor Title and E-mail Address October 19, 2004 Date	
		¹⁸ SURVEYOR CERTIFICATION <i>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> Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number	
	VA-1884		

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-33061	² Pool Code 80705	³ Pool Name Loving; Atoka, Southeast
⁴ Property Code 32246	⁵ Property Name Cigar BCM State Com	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 2
		⁹ Elevation 3110'GR

¹⁰ Surface Location

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		VA-1884	<p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

660'S
660'E

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⁴ Property Code 32246	⁵ Property Name Cigar BCM State Com	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 2
		⁹ Elevation 3110'GR

¹⁰ Surface Location

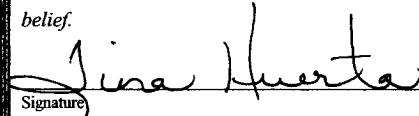
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