

Avenue, Artesia, NM 88210

Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

JUL 18 2005

OCD-ARTESIA

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, NM 88210		² OGRID Number 025575
³ Property Code 12717		⁴ API Number 30 - 005-63282
⁵ Property Name Sandlewood AEW State		⁶ Well No. 3

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	31	8S	27E		660	South	660	East	Chaves

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 Undesignated Foor Ranch Pre Permian					¹⁰ Proposed Pool 2				

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Depth to ground water 139'					Distance from nearest fresh water well 5075'		Distance from nearest surface water 2550'		
¹¹ Work Type Code N		¹² Well Type Code G		¹³ Cable/Rotary R		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 3966'	
¹⁶ Multiple N		¹⁷ Proposed Depth 7050'		¹⁸ Formation Basement		¹⁹ Contractor Not Determined		²⁰ Spud Date ASAP	

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1100'	450	Surface
7 7/8"	5 1/2"	15.5#	7050'	500	TOC-4200'

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 proposes to drill and test the Basement and intermediate formations. Approximately 1000' of surface casing will be set and cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

Sources at YPC have relayed information to me that they believe there will not be enough H2S found from the surface to the Basement formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Any pit or below-grade tank has been/will be constructed or closed according to NMOCDC guidelines with approved general permit on file. Information obtained from sources available have been accessed which determines the Site Ranking at 0 points. With this ranking score deep trench burial and capping will take place at pit closure. 12 mil liner requirements will/have been met.

MUD PROGRAM: 0-1000' FWGel, Paper, LCM; 1000-4670' Brine; 4670-7050' Salt Gel/Starch.

BOPE PROGRAM: A 2000# 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. I further certify that the drilling pit will be constructed according to NMOCDC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature:

Printed name: Debbie L. Caffall

Title: Regulatory Technician/Land Department

E-mail Address: debbiec@ypcnm.com

Date: July 18, 2005

Phone: (505) 748-4364

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: JUL 23 2005

Expiration Date: JUL 23 2006

Conditions of App

Attached ☐CEMENT TO COVER ALL OIL,
GAS AND WATER BEARING
ZONES including
Glorieta

Previously Approved

2040 South Pacheco, Santa Fe, NM 87505

Santa Fe, New Mexico 87504-2088

JUL 18 2005

06B-ANTE-AMENDED REPORT

Surface Location

Bottom Hole Location If Different From Surface

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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320

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.

Dat Perry

Signature

Pat Perez
Printed Name

Regulatory Agent

Title

7/30/2002

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.

REFER TO ORIGINAL PLAT

Date Surveyed
Signature & Seal of
Professional Surveyor

Certificato No. Herschel L. Jones RLS 3640

GENERAL SURVEYING COMPANY

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
Property Code	Property Name SANDLEWOOD "AEW" STATE	Well Number 3
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3966

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	31	8S	27E		660	SOUTH	660	EAST	CHAVES

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.
------------------------	-----------------	--------------------	-----------

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LG - 4916

660'

660'

OPERATOR CERTIFICATION

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

Cy Cowan

Signature _____

Printed Name _____

Title _____

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.

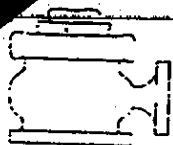
8/03/2000

Date Surveyed _____

Signature of _____

Professional Surveyor _____

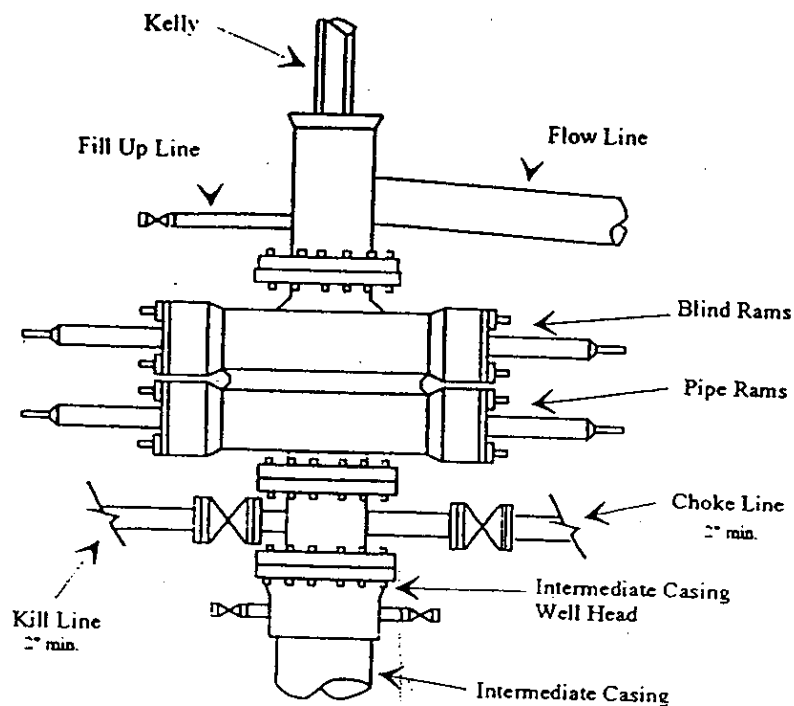
HERSCHEL S. JONES
NEW MEXICO
3640
Certificate No. Herschel S. Jones RLS 3640
SANDLEWOOD
GENERAL SURVEYING COMPANY



Yates Petroleum Corporation

Typical 2,000 psi Pressure System Schematic Double Ram Preventer Stack

BOP-2
RECEIVED
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OCT-ARTCO



Typical 2,000 psi choke manifold assembly with at least these minimum features

