

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

RECEIVED

Submit to appropriate District Office

MAY 06 2005

☐ AMENDED REPORT

000-ART-0000

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 30-005-63410
⁵ Property Code 28797	⁵ Property Name Roulette AXR State	⁶ Well No. 1
⁹ Proposed Pool 1 Foor Ranch Wolfcamp Gas		¹⁰ Proposed Pool 2 Pecos Slope Abo

⁷ Surface Location

UL or lot no. E	Section 8	Township 10S	Range 26E	Lot Idn	Feet from the 1775	North/South line North	Feet from the 788	East/West line West	County Chaves
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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
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3779'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Precambrian	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater >100'		Distance from nearest fresh water well >1000'		Distance from nearest surface water >1000'
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input checked="" 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 recomplete this well as follows: Set a 7" CIBP at 5850' with 35' cement on top. Perforate Wolfcamp 5540'-5548' (48). Stimulate as needed. If the Wolfcamp is not productive, set a 7" CIBP at 5500' with 35' cement on top. Perforate Wolfcamp 5080'-5090' (22) and 5174'-5184' (22). Stimulate as needed. Set a 7" CIBP at 5050' with 35' cement on top. Perforate Abo 4482'-4488' (7), 4499'-4517' (19), 4582'-4588' (7), 4600'-4602' (3), 4640'-4644' (5), 4682'-4693' (12) and 4740'-4746' (7) for a total of 60 holes. 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 NMOCB guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

OIL CONSERVATION DIVISION

Approved by:

Signature: James E. Hunt

Printed name: Tina Huerta

Title:

Title: Regulatory Compliance Supervisor

Approval Date: **MAY 13 2005** Expiration Date: **MAY 13 2006**

E-mail Address: tinah@vpcnm.com

Date: May 5, 2005

Phone: 505-748-4168

Conditions of Approval Attached ☐

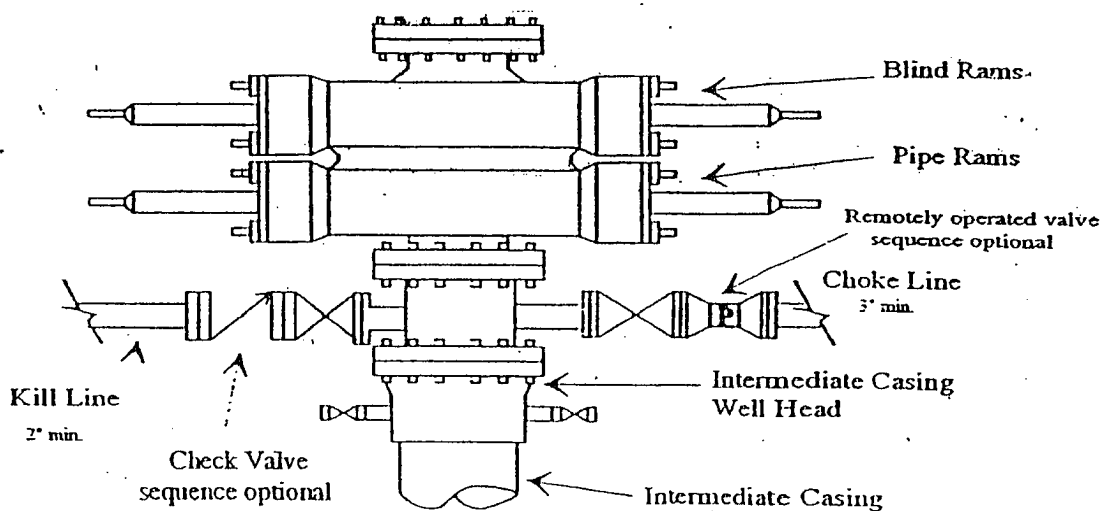
~~TIM W. GUM~~

DISTRICT II SUPERVISOR

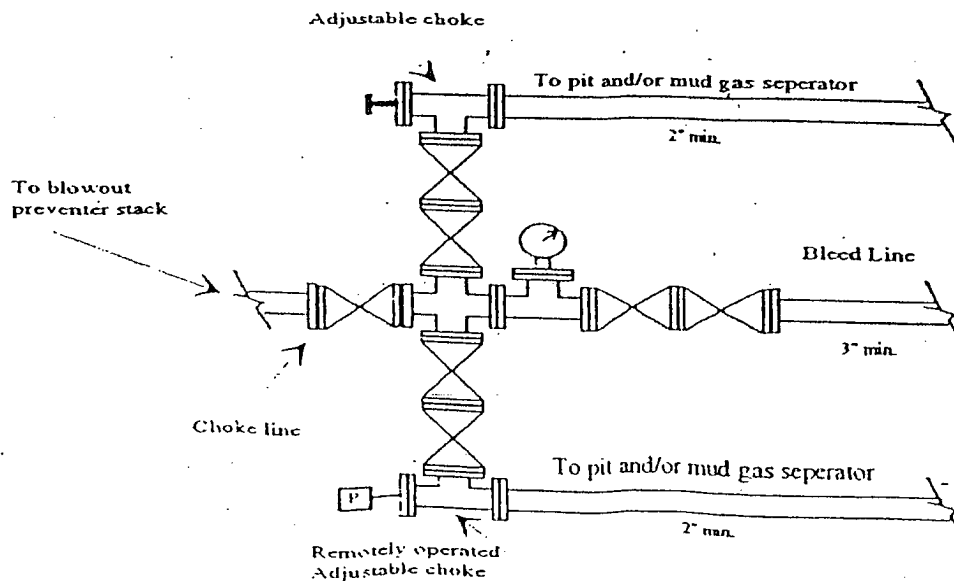
Approval Date: **MAY 13 2005** Expiration Date: **MAY 13 2006**

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

May 5, 2005

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

RECEIVED

MAY 06 2005

OCD-ARTESIA

Re: Roulette AXR State #1
Section 8-T10S-R26E
Chaves 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 Wolfcamp 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

District I
625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63410	² Pool Code 76750	³ Pool Name Foor Ranch Wolfcamp Gas
⁴ Property Code 28797	⁵ Property Name Roulette AXR State	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3779'GR

¹⁰ Surface Location

UL or lot no. E	Section 8	Township 10S	Range 26E	Lot Idn	Feet from the 1775	North/South line North	Feet from the 788	East/West line West	County Chaves
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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

<div><div>16</div><div><div>1775'N</div><div>788'W</div></div></div>					<div><div>17</div><div>OPERATOR CERTIFICATION</div><div>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</div><div><div>Tina Huerta</div><div>Signature</div></div><div><div>Tina Huerta</div><div>Printed Name</div></div><div><div>Regulatory Compliance Supervisor</div></div><div><div>Title and E-mail Address</div><div>May 5, 2005</div></div><div><div>Date</div></div></div>	
					<div><div>RECEIVED</div><div>MAY 06 2005</div><div>ODD-A/TEAM</div></div>	<div><div>18</div><div>SURVEYOR CERTIFICATION</div><div>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.</div></div>
						<div><div>Date of Survey</div><div>Signature and Seal of Professional Surveyor:</div></div>
						<div><div>Certificate Number</div></div>

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

State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-63410	² Pool Code 82730	³ Pool Name Pecos Slope Abo
⁴ Property Code 28797	⁵ Property Name Roulette AXR State	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3779'GR

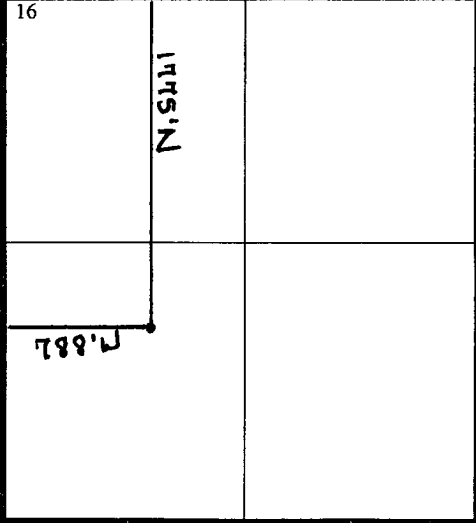
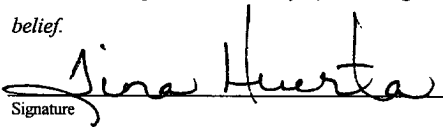
¹⁰ Surface Location

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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 160	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 	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 May 5, 2005 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			