

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

Submit to appropriate District Office

RECEIVED

☐ AMENDED REPORT

AUG 09 2005

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, ~~PLUG BACK~~ OR ADD A ZONE

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South 4 <sup>th</sup> Street Artesia, New Mexico 882210		<sup>2</sup> OGRID Number 025575
<sup>3</sup> Property Code 26798	<sup>4</sup> Property Name Wager AWG State	<sup>5</sup> API Number 30 - <b>COS - 63295</b>
<sup>9</sup> Proposed Pool 1 Foor Ranch Pre-Permian		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	34	9S	26E		1980	North	1980'	East	Chaves

<sup>8</sup> 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

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3808'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 6600'	<sup>18</sup> Formation Basement	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 99'		Distance from nearest fresh water well 8300'		Distance from nearest surface water 1650'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 20,000_bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> 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'	750	Surface
7 7/8"	5 1/2"	15.5#	6600'	400	4000'

<sup>22</sup> 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 1100' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. MUD PROGRAM: 0-1100' FWGel/paper/LCM; 1100-4495' Brine; 4495'-6600' Salt Gel/Starch. BOPE PROGRAM: A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.

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

Sources available have been accessed for the captioned well. Information obtained determines the Ranking is 10 points. With this ranking, deep trenching and burial will take place at pit closure.

<sup>23</sup> 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 NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Printed name: Debbie L. Caffall / Land Department

Title: Regulatory Technician

E-mail Address: debbiec@ypcnm.com

Date: 08/11/2005

Phone: (505) 748-4364

OIL CONSERVATION DIVISION	
Approved by:	<i>Jim W. Green</i>
Title:	<i>District II Supervisor</i>
Approval Date:	AUG 19 2005
Expiration Date:	AUG 19 2008
Conditions of Ap	

PREVIOUSLY APPROVED

CEMENT TO COVER ALL OIL,  
GAS AND WATER BEARING  
ZONES i.e: Gloriana

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

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 15, 2000

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-</b>	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name <b>Undes. Foor Ranch Pre-Permian</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>WAGER "AWG" STATE</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	<sup>9</sup> Elevation <b>3808'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>G</b>	Section <b>34</b>	Township <b>9S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>1980</b>	North/South line <b>North</b>	Feet from the <b>1980</b>	East/West line <b>East</b>	County <b>Chaves</b>
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<sup>11</sup> 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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<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>6</sup>	<b>VA-2066</b>	<b>1980'</b>	<b>1980'</b>	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Pat Perez</i> Signature <b>Pat Perez</b> Printed Name <b>Regulatory Agent</b> Title <b>9/10/2002</b> Date
				<sup>18</sup> 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. <b>REFER TO ORIGINAL PLAT</b> Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number

**DISTRICT I**  
1626 N. French Dr., Hobbs, NM 88240

**DISTRICT II**  
811 South First, Artesia, NM 88210

**DISTRICT III**  
1600 Rio Brazos Rd., Artesia, NM 87410

**DISTRICT IV**  
2040 South Pacheco, Santa Fe, NM 87605

**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 Wildcat Pre Cambrian
Property Code	Property Name WAGER "AWG" STATE		Well Number 1
OGBID No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3808

**Surface Location**

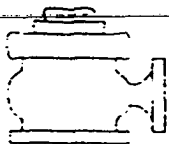
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	34	9S	26E		1980	NORTH	1980	EAST	CHAVES

**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.			

**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**

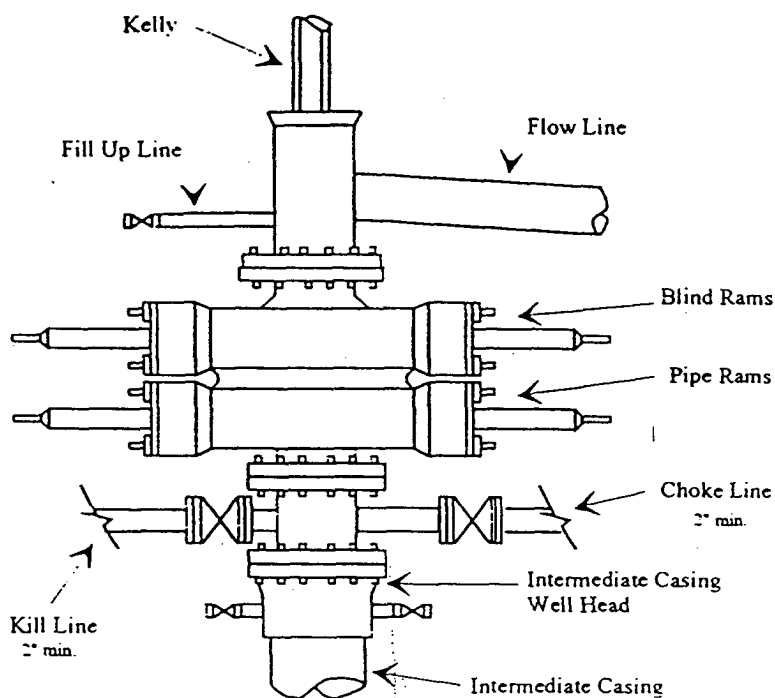
<div style="border: 2px solid black; padding: 10px; margin: 10px;"> <p align="center" style="font-size: 2em;">VA-2066</p> <div style="position: relative; height: 100px;"> <div style="position: absolute; left: 50%; top: 0; transform: translateX(-50%);">1980'</div> <div style="position: absolute; right: 50%; bottom: 0; transform: translateX(50%);">1980'</div> </div> </div>	<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  <div style="text-align: right;">             Signature            Cy Cowan            Printed Name            Regulatory Agent            Title            October 13, 2000            Date         </div>	
	<b>SURVEYOR CERTIFICATION</b>  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 style="text-align: right;">           9/26/2000            Date Surveyed            Signature &amp; Seal of Professional Surveyor              Certificate No. Hershfield Jones RLS 3640            WAGER 1 DISK 34            GENERAL SURVEYING COMPANY         </div>	



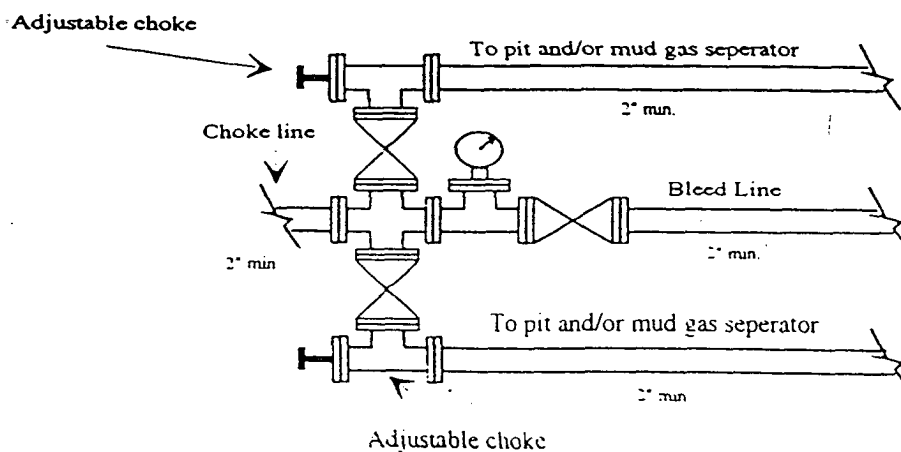
# Yates Petroleum Corporation

BOP-2

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



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



*New Mexico Office of the State Engineer*  
**Well Reports and Downloads**

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Township: 09S Range: 26E Sections:

NAD27 X: Y: Zone:  Search Radius:County:  Basin:  Number: Suffix:Owner Name: (First) (Last) ☐ Non-Domestic ☐ Domestic  
☒ All

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**AVERAGE DEPTH OF WATER REPORT 08/01/2005**

Bsn	Tws	Rng	Sec	Zone	X	Y	Wells	(Depth Water in Feet)		
								Min	Max	Avg
RA	09S	26E	12				1	99	99	99

Record Count: 1