MARTIN YATES, III 1912 - 1985 FRANK W. YATES 1936 - 1986



105 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210-2118 TELEPHONE (505) 748-1471

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TREASURER

September 12, 2005

SEP 1 5 2005 COU-AMTERIA

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

Re:

East Wind AME State #1 Section 17-T9S-R27E 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 Abo 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 1625 N. French Dr., Hobbs, NM 88240 District II 130 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Road, Aztec, NM 87410 District IV

State of New Mexico Energy Minerals and Natural Resources RECEIVED

Form C-101 May 27, 2004

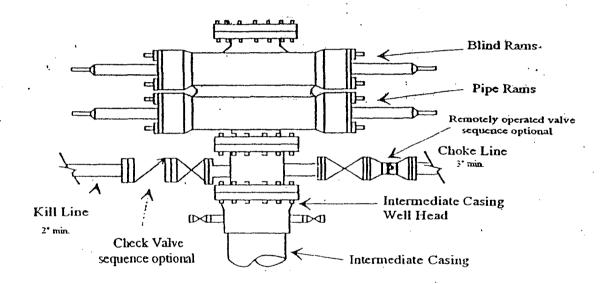
Oil Conservation Division SEP 1 5 2005 Submit to appropriate District Office ☐ AMENDED REPORT

1220 South St. Francis DE Sonta Fe, NM 87505 1220 S. St. Francis Dr., Santa Fe, NM 87505

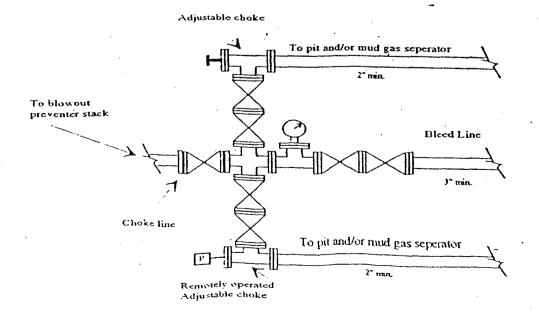
APPL	ICATI	<u>ON FO</u>	<u>)R PERMIT</u>			ENTER, I	DEEPER	N, PLUGBA				
			Operator Name			OGRID Number						
			Yates Petroleum 105 S. 4 th		025575 3 API Number							
			Artesia, NN	1 88210			30-005-62554					
³ Property Code ⁵ Prope						Name i AME State				° Wel	No. 1	
			⁹ Proposed Pool 1			¹⁰ Proposed Pool 2						
			Pecos Slope Abo			-13posed 7 00. 2						
⁷ Surface Location												
UL or lot no.	Section	Townshi	Range	Lot I					East/Wes	East/West line County		
G	17	9S	27E	<u> </u>	19	80	North 1980		East		Chaves	
⁸ Proposed Bottom Hole Location If Different From Surface												
UL or lot no.	Section	Townshi	Range	Lot I	dn Feet fr	om the Nor	h/South line			t line	County	
		l		Ad	ditional We	ell Informa	tion		l.,			
11 Work	Type Code		12 Well Type Co			e/Rotary		Lease Type Code		15 Grou	nd Level Elevation	
P P			G		N/A		_	S		3829'GR		
	¹⁶ Multiple N			¹⁷ Proposed Depth N/A		mation vician		¹⁹ Contractor N/A		²⁰ Spud Date ASAP		
Depth to Groundwater >100'				Distance	e from nearest fre	sh water well		Distance from nearest surface water >1000'			iter	
Pit: Liner: Synthetic ☑ 12 mils thick Clay ☐ Pit Volume:bbls Drilling Method:												
Closed-Loop System												
²¹ Proposed Casing and Cement Program												
Hole Size		(asing Size Casin		g weight/foot Sett		Depth	Sacks of Ce	Sacks of Cement		Estimated TOC	
				IN PLACE								
				L			<u> </u>					
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.										new productive zone.		
Yates Petroleum Corporation plans to plugback and recomplete this well as follows: Set a 5-1/2" CIBP or RBP with sand at 5654'. Correlate to Wedge CBL and shoot squeeze perf at top of cement +/-5250'. Set a 5-1/2" cement retainer at +/-5200'. Mix +/-150 sx "C" cement. Calculate TOC at 4400' with 35% excess. Reverse out above retainer. Drill out retainer and cement. Perforate Abo 5063'-5072' (18). Stimulate as needed.												
							CEME	መን ሰሞ ፐሥ	ZIETE AT	ТО	пп	
CEMENT TO COVER ALL OIL, GAS AND WATER BEARING												
	ZONES + 200' a have											
						;			enië.	ے۔		
						A.		·		/ (.		
23 I hereby certify that the information given above is true and complete to the OIL CONSERVATION DIVISION										ON		
best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCP guidelines , a general permit , or Approved by: Approved by:										,		
an (attached) alternative OCD-approved plan . Signature:												
Printed name: Tha Huerta Title:												
Title: Regulatory Compliance Supervisor						Approval Da	CED 2 1 2005					
E-mail Address: tinah@ypcnm.com									-P	<u>~</u>	PHI N T CUUD	
Date: September 13, 2005 Phone: 505-748-4168					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



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District 1 Form C-102 State of New Mexico 1625 N. French Dr., Habbs, NM 88240 Revised June 10, 2003 Energy, Minerals & Natural Resources Department District II Submit to Appropriate District Office OIL CONSERVATION DIVISION 1301 W. Grand Avenue, Artesia, NM 88210 State Lease - 4 Copies District III 1220 South St. Francis Dr. 1000 Rin Brazos Rd., Aztec, NM 87410 Fee Lease - 3 Copies Santa Fe, NM 87505 1220 S. St. Francis Dr., Santa Pc, NM 87505 ☐ AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pool Code 30-005-62554 82730 Pecos Slone Abo Property Code Property Name Well Number 12894 East Wind AME State OGRID No. Operator Name * Elevation 025575 Yates Petroleum Corporation 3829'GR ¹⁰ Surface Location UL or lot no. Section Township Lot Idn Fout from the North/South line Range Feet from the Rast/West line Comply 17 95 27E 1980 G North 1980 East Chaves 11 Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idu Feet from the North/Snuth line Peat from the Basi/West line County 1) Dedicated Acres lital to talot ⁽¹ Consolidation Code Order Na.

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 hereby certify that the information contained hereis is true and cramplete to the best of my knowledge and belief. Tima Huertsa Printed Name Regulatory/ Compliance Supervisor				
		5 vo 1222 d 1 102 20		Title and E-mail Address September: 13, 2005; Date				
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was playted from flield 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.				
				Date of Survey Signature and Seal of Professional Surveyor. Certificate Number				