#### 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

## State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.

Submit to appropriate District Office

Santa Fe, NM 87505

☐ AMENDED REPORT

1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505													
APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PRIGBACK, OR ADD A ZONE													
Operator Name and Address							2,2	Or A Ship		13/	OGRID Number 025575		
Yates Petroleum 105 S. 4 <sup>th</sup>					Street	ion	976	· · · · · · · · · · · · · · · · · · ·	Jime	13 a) c		L33/3 lumber	
Artesia, NM 88210							α σ	<u> </u>	1.5/1/	STATES	30-0	15-2343	
_	rty Code 15141				Corporation Street 1 88210 Property Name Gardner Draw Unit			560 V	, A	° Well No. 5		No. 5	
			9 P1	ronosed Pool 1			<b>\</b> '.	6.	900	A Prope	osed Pool 2	<del>,</del>	
Creeled Canyonin Atoka · Mannew							·	es,	IC oc 6	16/	at Strawn		
	140		<del>" 1</del>	Cartary - Jan 4 . (	//\w	<sup>7</sup> Surface	Locat	ion	TE OF !				
UL or lot no.	UL or lot no. Section Township		ship	Range Lot I			om the	North/So	uth line	Feet from the	East/We	st line	County
. Е	1 1 1		201			Not	th	660	We	st	Eddy		
				<sup>8</sup> Propo	sed Botte	om Hole Loca	tion If	Different	From S	Surface			
UL or lot no.	Section	Towns	ship	Range	Lot I	ot Idn Feet from the		North/So	outh line Feet from the		East/West line		County
					<u></u>	1 777	11 7 0						
11 3374-	Type Code	Т		12 Well Tree Co.		ditional We		ormatio		Lease Type Code		15 Groun	nd Level Elevation
	A Code		<sup>12</sup> Well Type Code G				<sup>13</sup> Cable/Rotary N/A			S		4541'GR	
	lultiple			17 Proposed Depth			18 Formation			19 Contractor		<sup>20</sup> Spud Date	
	<u>Y</u>			N/A	I Distant		rrow					ASAP earest surface water	
Depth to Grou	indwater				Distance	e from nearest fre	sii water	well		Distance Iron	i ilearest s	illace wa	iter
Pit: Liner	: Synthetic		mi	ls thick Clay	Pit V	olume:bb	ls	Dri	lling Metl	hod:			
Close	d-Loop Sys	tem 🗵	3	(Barriera III)						Brine Die	sel/Oil-ba	sed 🔲 (	Gas/Air 🗌
				21	Propos	sed Casing a	and Ce	ement F	rograi	n			
				Casing weight/foot Setting Depth			Sacks of Ce	ment	J	Estimated TOC			
					IN PL		LACE	LACE					
22 D 11 - 4	•	<u> </u>	TC.	41.11141	:- 4- DEE!	DEM DI LIC D	A CIZ -i-	41 4-4-	41				
								e the data	on the pr	esent productive zo	one and pr	oposea n	ew productive zone.
Describe the blowout prevention program, if any. Use additional sheets if necessary.  Yates Petroleum Corporation plans to workover and possibly recomplete this well as follows: Perforate additional Morrow 7326'-7330'													
(24). Stim	ılate as ne	eded.	Set a	a compsosite	flow thro	ough pĺug (fla	pper sty	le) at 72	15'. Pe	rforate Atoka 7	126'-713	32' (36)	and 7154'-7166'
(72). Stimi needed.	ulate as no	eeded.	Set a	a composite f	low thro	ugh plug (flap	per styl	e) at 695	8'. Per	forate Strawn 6	902'-690	)8' (36)	. Stimulate as
necded.												•	
				~ ~	^								
	/	/V S	7	~ 54	40								
<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							OIL CONSERVATION DIVISION						
							Approved by:						
constructed according to NMOCD guidelines. , a general permit , or Approved by: an (attached) alternative OCD-approved plan .													
Signature:							BRYAN G. ARRANT						
Printed name	: Tina Hue	rta					Title: DISTRICT II GEOLOGIST						ST
Title: Regulatory Compliance Supervisor							Approval Date: JAN 0 4 2007. Expiration Date: JAN 0 4 2008						
E-mail Addre	ss: tinah@	ypcnm.	.com										
Date: October 4, 2006 Phone: 505-748-4168					Conditions of Approval Attached								

#### 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

<sup>1</sup> API Number

30-015-23433

<sup>4</sup> Property Code

15141

<sup>7</sup>OGRID No.

025575

### State of New Mexico

Energy, Minerals & Natural Resources Department

### OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

<sup>5</sup> Property Name

**Gardner Draw Unit** 

<sup>8</sup> Operator Name

**Yates Petroleum Corporation** 

Pool Code

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

Tolky - MONNEY

State Lease - 4 Copies

Well Number

5

<sup>9</sup> Elevation

4541'GR

Fee Lease - 3 Copies

● MELL LOCATION AND ACREAGE DEDICATION PLAT

					<sup>10</sup> Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet	t from the	East/West line	County
E	32	198	21E	1	2015	North		660	West	Eddy
	İ.,	<u></u>	11 Bc	ottom Ho	ole Location J	f Different Fro	m Su	rface		
UL or lot no.	Section	Township		Lot Idn	Feet from the	North/South line	_	t from the	East/West line	County
	!			1						į į
12 Dedicated Acres	s 13 Joint or	r Infill   14 /	Consolidation	Code 15 O	order No.	1				
320										Ì
No allowable v division.	ı	signed to th	nis complet	ion until a	ll interests have	been consolidated	l or a n	17 O  I hereby certif	PERATOR CERT  fy that the information containe my knowledge and belief, and to ng interest or unleased mineral	TIFICATION  ed herein is true and complete that this organization either
6FO,M					27. 10168F 96 4 6 4	516 17 18 10 303	2232425	location pursuinterest, or to order heretofoly Signature  Tina Huerta Printed Name	a voluntary pooling agreement ore entered by the division	or of such a mineral or working of or a compulsory pooling  October 4, 2006  Date
					~!-	1000°		И	VEYOR CERT	
l		l		1				ll .	ertify that the well loca	
		l							lotted from field notes	
		ĺ						1	ie or under my supervi	
								same is tri	ue and correct to the bo	est of my belief.
		<b></b>						Date of Surv	vey	
		į						Signature an	d Seal of Professional Sur	veyor:
								Certificate N	umber	

District I 1625 N. French Dr., Hobbs, NM 88240 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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

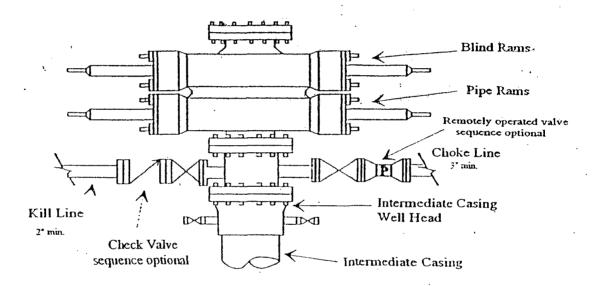
☐ AMENDED REPORT

	API Number		TO DEED EX		<del></del>	REAGE DEDIC					
		·	<sup>2</sup> Pool C	ode	<sup>3</sup> Pool Name						
30	-015-2343	3			<sup>5</sup> Property		Wildcat	Strawn			
4 Property	Code				<sup>6</sup> Well Number						
15141	l				5						
<sup>7</sup> OGRID	No.			<sup>9</sup> Elevation							
02557	5				Yates Petroleum	Corporation			4541'GR		
						Location					
UL or lot no.	Section	Townsh	ip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	est line	County	
E	32	19S	21E		2015	North	660	We	st	Eddy	
	•		<sup>11</sup> Bo	ottom I	Hole Location I	f Different From	m Surface				
UL or lot no.	Section	Townsh	ip Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line		County	
320 No allowable			14 Consolidation		Order No.	been consolidated	or a non-stand	ard unit ha	s been a	pproved by the	
livision.											

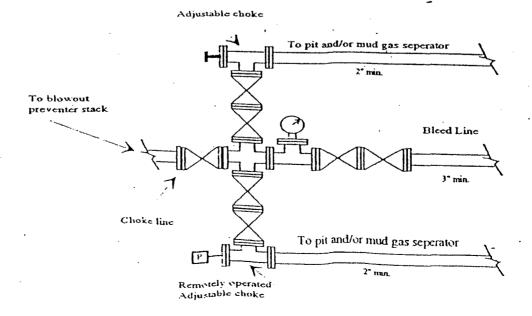
16			17 OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete
70,5,V			to the best of my knowledge and belief, and that this organization either
5			owns a working interest or unleased mineral interest in the land including
z		441516 7	the proposed bottom hole location or has a right to drill this well at this
	(2)	314101017	location pursuant to a contract with an owner of such a mineral or working
	1772	100	interest, or to a voluntary pooling agreement or a compulsory pooling
	/0/	The same	order heretofore entered by the division
	68 01727	27 7/100	October 4, 2006
	7	By CHIESTA B	Signature Date
	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	REU ARILL W	
	/4	000	Tina Huerta Printed Name
1/041	17.3456785	RECEIVED ARTESIA 2223 OCO ARTESIA 223 4E OE 67 CT LEGISTA	A I II I I I I I I I I I I I I I I I I
660,M	1,	150000000000000000000000000000000000000	
		1808 85 62 170	
			<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.
			Date of Survey
			Signature and Seal of Professional Surveyor:
			oignature and ocal of Professional ourveyor.
·			
			Certificate Number

# 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 4, 2006

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

Re:

Gardner Draw Unit #5 Section 32-T19S-R21E 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