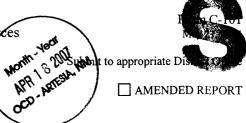
District I
1625 N. French Dr., Hobbs, NM 88240

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

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

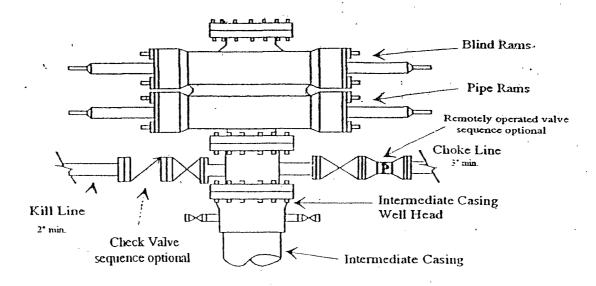


APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

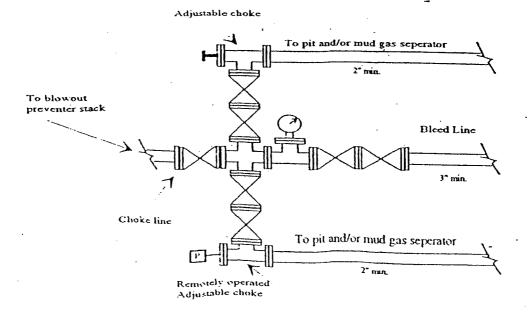
ALLE	ICAII	OITIOI	Operator Name				214, 171	JEJE 131	1, 1200.			DAZONE	
							OGRID Number						
Yates Petroleum Corporation 105 S. 4 th Street										025575 3 API Number			
Artesia, NM 88210											30-015-25147		
³ Property Code ³ Property													
1 7 1						ABC Com] 1		
⁹ Proposed Pool 1							¹⁰ Proposed Pool 2						
1 () () ()										r roposcu r c	JOI 2		
ICICM	dra	Chop:	Morea	/ V(carow		<u> </u>						
					⁷ Surface	Locat	ion						
UL or lot no. P	Section 8	Township 18S	Range 25E			om the	1	outh line uth	Feet from th		t/West line East	County Eddy	
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	
OL of lot lio.	lot no. Section Township Range		Range	150t tuli		om aic	mule Nordv3oddi III		i cet nom die		Last West like County		
A dditional TY7all Tafannatian													
Additional Well Information 11 Work Type Code 12 Well Type Code 13 Cable/Rotary 14 Lease Type Code 15 Ground Level Elevation													
			G well Type Co	1					Lease Type Code		3569'GR		
16 Multiple			17 Proposed Depth		N/A 18 Formation			19 Contractor			20 Spud Date		
	niipie N		N/A		Chester			N/A			ASAP		
Depth to Grou	ndwater	L	Distance from nearest fresh water well					Distanc	Distance from nearest surface water				
Pit: Liner: Syntheticmils thick ClayPit Volume:bblsDrilling Method:													
Closed-Loop System												Gas/Air 🔲	
²¹ Proposed Casing and Cement Program													
												T	
Hole S	ize	Casi	Casing Size		Casing weight/foot Setting Depth				Sacks	Sacks of Cement E		Estimated TOC	
				IN PI			LACE						
22 Describe the proposed program. If this application is to DEEPEN or PLUG BA									1				
							ve the data	a on the pr	esent product	tive zone and	d proposed 1	new productive zone.	
Describe the blowout prevention program, if any. Use additional sheets if necessary.													
Yates Petro	leum Co	rporation p	lans to worko	ver and p	ossibly plugb	ack and	l recom	olete this	well as fol	lows: Rel	ease pack	er and POOH	
with 2-7/8"	J-55 tub	ing. Layin	g down all but	: +/-8219	of the tubing.	Set a	5-1/2" C	CIBP at 8	3343' with 3	35° cemen	t on top.	Perforate Ateka	
												oing and packer, cement on top.	
Perforate C	isco 6822	2'-6834' (2	6) and 6890'-	6898' (18	3). Stimulate	as need	led.	ug or a .)-1/2 CIDI	al 0219	wim 55 (cement on top.	
Perforate Cisco 6822'-6834' (26) and 6890'-6898' (18). Stimulate as needed.													
²³ I hereby certify that the information given above is true and complete to the							OIL CONSERVATION DIVISION						
best of my knowledge and belief. I further certify that the drilling pit will be													
constructed according to NMOQD guidelines , a general permit , or							ved by:						
an (attached) alternative OCD-approved plan .							BRYAN G. ARRANT						
Signature Level							DISTRICT II GEOLOGIST						
Printed name: Tina Huerta													
Title: Regulatory Compliance Supervisor						Appro	val Date	PR 2 (2007	Expiration	on Dale PR	2 0 2008	
		1						~ #ARB					
Date:	E-mail Address: tinah@ypcnm.com Date: Phone: 505-748-4168						Conditions of Approval Attached						
Date.			1 none. 505-	70-4100		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



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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RANDY G. PATTERSON
SECRETARY
DENNIS G. KINSEY
TREASURER

April 16, 2007



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

Re:

Sylvester ABC Com #1 Section 8-T18S-R25E 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 Cisco 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