

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

Month Year  
JUN 2007  
OCD - ARTESIA, NM

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
<sup>3</sup> Property Code 17119		<sup>4</sup> API Number 30-005-63942
<sup>5</sup> Property Name BITTERSWEET "AOZ" STATE COM.		<sup>6</sup> Well No. 2
<sup>9</sup> Proposed Pool 1 FOOR RANCH; PRE PERMIAN 76730		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	9S	26E		660	South	1980	West	Chaves

**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

**Additional Well Information**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3764'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 6945	<sup>18</sup> Formation Basement	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 99'		Distance from nearest fresh water well 16,100'		Distance from nearest surface water 1150'
Pit: Liner: Synthetic XX 12_mils thick Clay <input type="checkbox"/> Pit Volume: _____ 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"/>				

**21 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	450 sx	Surface
7 7/8"	5 1/2"	15.5#	6230	550 sx	**

<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 cemented. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**MUD PROGRAM:** 0-1100' FWGel/Paper/LCM; 1100-4300' Brine; 4300-6230' Starch/Salt Gel.

**BOPE PROGRAM:** A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.

<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 ☐.

Signature:

Printed name: Debbie L. Caffall

Title: Regulatory Agent

E-mail Address: debbiec@ypcnm.com

Date: June 1, 2007

Phone: (505) 748-4376

**OIL CONSERVATION DIVISION**

Approved by:

BRYAN G. ARANT  
DISTRICT II GEOLOGIST

Title:

Approval Date: JUN 05 2007

Expiration Date: JUN 05 2008

Conditions of Approval Attached ☐

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## State of New Mexico

Energy, Minerals &amp; 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

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 76730	<sup>3</sup> Pool Name FOOR RANCH PRE PERMIAN
<sup>4</sup> Property Code	<sup>5</sup> Property Name BITTERSWEET "AOZ" STATE	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name YATES PETROLEUM CORPORATION	<sup>9</sup> Elevation 3764

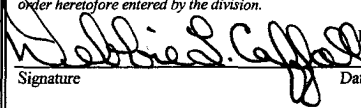
<sup>10</sup> Surface Location

UL or lot no. N	Section 28	Township 9S	Range 26E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 1980	East/West line WEST	County CHAVES
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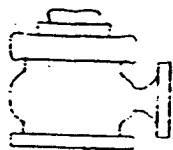
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup>				<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature June 1, 2007 Date Debbie Caffall Printed Name Regulatory Agent Title
V-2328	LG-7642	V-2328		<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <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: REFER TO ORIGINAL PLAT Certificate Number
1980'		LG-7642		

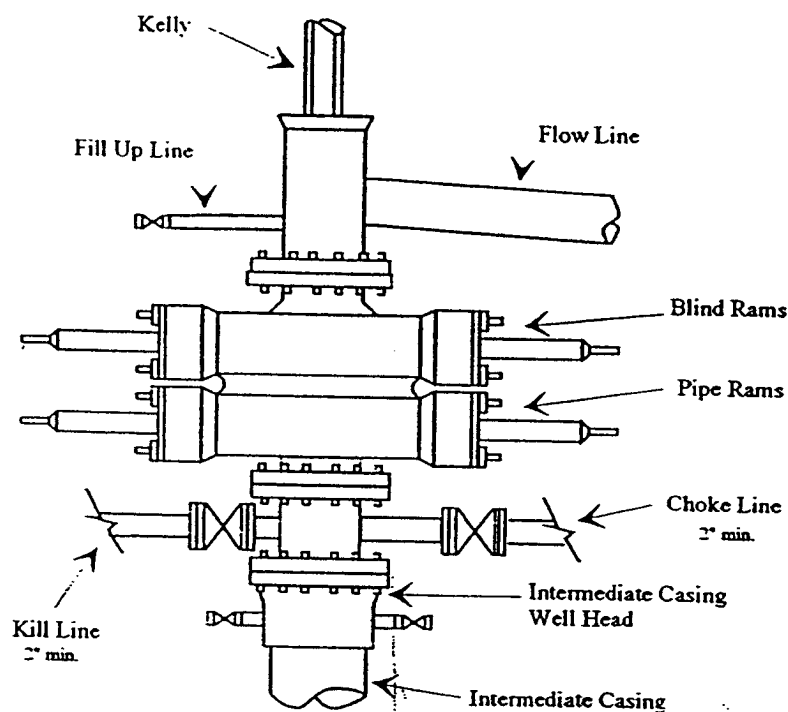




# Yates Petroleum Corporation

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

