

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  
**JUL - 3 2007** ☐ AMENDED REPORT  
**OCD-ARTESIA**

**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 26800	<sup>3</sup> Property Name Hard As Nails AMD State Com	<sup>4</sup> Well No. 4
<sup>9</sup> Proposed Pool 1 Foor Ranch; Pre Permian 76730		<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
B	27	9S	26E		660	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 3786'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 6470	<sup>18</sup> Formation Basement	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP
Depth to Groundwater Less than 50'		Distance from nearest fresh water well 1000' or more		Distance from nearest surface water 1000' or more
<sup>21</sup> 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"/>				

<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"	550 sx	Surface
7 7/8"	5 1/2"	15.5#	6470'	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 cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.  
MUD PROGRAM: 0-1100' FWGel/Paper/LCM; 1100-4415' Brine; 4415-6470' Starch/ Salt Gel.  
BOPE PROGRAM: A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.  
Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be sufficient H2S anticipated from the surface to the Basement Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

<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: *Debbie L. Caffall*

Printed name: Debbie L. Caffall

Title: Regulatory Agent

E-mail Address:

Date: July 2, 2007

Phone: (505) 748-4376

OIL CONSERVATION DIVISION

Approved by:

**BRYAN G. ARANT**  
DISTRICT II GEOLOGIST

Title

Approval Date: **JUL 03 2007**

Expiration Date: **JUL 03 2008**

Conditions of Approval Attached ☐

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**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

**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 34992		<sup>5</sup> Property Name Hard As Nails AMD State Com			<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 025575		<sup>8</sup> Operator Name Yates Petroleum Corporation			<sup>9</sup> Elevation 3786

**<sup>10</sup> Surface Location**

UL or lot no. B	Section 27	Township 9 S	Range 26 E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line East	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 E/2		<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 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  Signature Date 7/2/2007 Debbie L. Caffall, Regulatory Agent Printed Name	
	<sup>18</sup> <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 Date of Survey Signature and Seal of Professional Surveyor	
	<b>REFER TO ORIGINAL PLAT</b> Certificate Number	
	LG-8138 V-5639	

ACT I  
A. French Dr., Hobbs, NM 88240  
DISTRICT II  
11 South First, Artesia, NM 88210

DISTRICT III  
1000 Elc Brazos Rd., Artesia, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

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 Foor Ranch; Pre Permian
Property Code	Property Name HARD AS NAILS "AMD" STATE COM.	Well Number 4
OGED No.	Operator Name YATES PETROLEUM CORPORATION	Elevation 3786

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	9S	26E		660	NORTH	1980	EAST	CHAVES

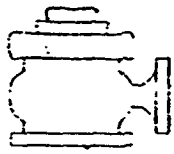
Bottom Hole Location If Different From Surface

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.
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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

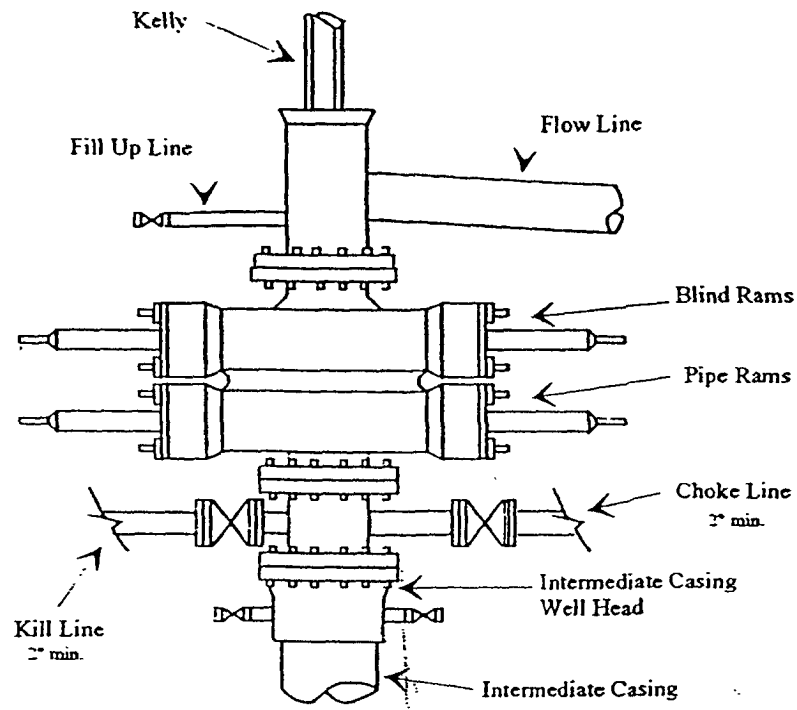
RECEIVED SEP 15 2004 OCD-ARTESIA				OPERATOR CERTIFICATION  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature Robert Asher Printed Name Regulatory Agent Title 9/13/2004 Date	
					SURVEYOR CERTIFICATION  I hereby certify that 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.  8/10/2001 Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. Herschel L. Jones RLS 3640 HARD AS NAILS GENERAL SURVEYING COMPANY
		LG-8138			
			V-5639		



# 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

