

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

Form C-101  
May 27, 2004

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 29657		<sup>4</sup> API Number 30-015-35806
<sup>5</sup> Property Name Bleu Pearl BAF State Com		<sup>6</sup> Well No. 2
<sup>9</sup> Proposed Pool 1 Wildcat Chester (Mississippian) (96068)		<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
K	34	16S	27E		1980'	South	1650'	West	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

**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 3387'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 9200	<sup>18</sup> Formation Chester	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP
Depth to Groundwater Approx. 70'		Distance from nearest fresh water well Approx. 3300 feet		Distance from nearest surface water Approx. 500 feet
Pit: Liner: Synthetic XX 12_mils thick Clay <input type="checkbox"/> Pit Volume: 24,000 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
14.75	9.625	36#	<del>1400'</del> 1100'	1000	0
8.75	5.5	15.5#	9200'	2375	900

<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 Chester/intermediate formations. Approximately 1100' of surface casing will be set/cemented. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**MUD PROGRAM:** 0-1400' FWGel; 1400-8200 Cut Brine; 8200-TD SaltGel/Starch/4-6% KCL.

**BOPE PROGRAM:** A 5000# BOPE will be installed on the 9 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 Chester (Mississippian) 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

Printed name: Cy Cowan

Title: Regulatory Agent

E-mail Address:

Date 9/07/2007

Phone: (505) 748-4372

**OIL CONSERVATION DIVISION**

Approved by:

**BRYAN G. ARRANT**

**DISTRICT II GEOLOGIST**

Title:

Approval Date

**SEP 19 2007**

Expiration Date:

**SEP 19 2008**

Conditions of Approval Attached ☐

Previously approved C-102 attached

**District I**  
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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

S

SEP 10 2007  
OCD-ARTESIA

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 96068	<sup>3</sup> Pool Name Wildcat Chester (Mississippian)
<sup>4</sup> Property Code 29657	<sup>5</sup> Property Name Bleu Pearl BAF State Com	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name Yates Petroleum Corporation	<sup>9</sup> Elevation 3387

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

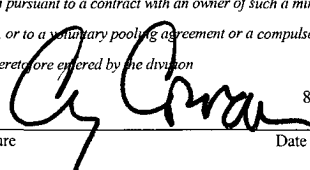
UL or lot no. K	Section 34	Township 16 S	Range 27 E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1650	East/West line West	County Eddy
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**<sup>11</sup> Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 320 W/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<b><sup>16</sup> NM-101583</b>						<b><sup>17</sup> 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>  8/9/2007 Signature _____ Date _____ Cy Cowan, Regulatory Agent Printed Name _____
						<b><sup>18</sup> 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 _____ <b>REFER TO ORIGINAL PLAT</b> Certificate Number _____
VA-1588						

1650'

1980'

NM-93191

FROM : GENERAL SURVEYING Co  
DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240  
DISTRICT II  
811 South First, Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Artesia, NM 87410  
DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

FAX NO. : 5053930023  
JUL 11 11:04 AM  
Energy, Minerals and Natural Resources Department

Sep. 13 2004 06:07AM P4  
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

SEP 10 2007  
OCD-ARTESIA

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat Chester
Property Code	Property Name BLEU PEARL "BAF" STATE COM.	Well Number 2
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3387

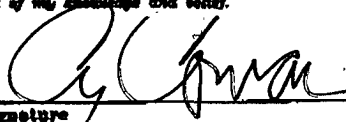

### Surface Location

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
K	34	16S	27E		1980	SOUTH	1650	WEST	EDDY

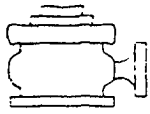
### Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	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

<div>NM-101583</div> <div>NM-93191</div> <div>VA-1588</div> <div>1650'</div> <div>1980'</div> <div>N.32°52'37.9" W.104°18'08.5" N.662803.3 E.618897.3 (NAD-27)</div>	<div>OPERATOR CERTIFICATION</div> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <div> Signature Cy Cowan Printed Name Regulatory Agent Title September 20, 2004 Date</div> <div>SURVEYOR CERTIFICATION</div> <p>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.</p> <div>9/10/2004 Date Surveyed Signature of Professional Surveyor  Certificate No. Herschel L. Jones RLS 3640 BLEU PEARL GENERAL SURVEYING COMPANY</div>
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330' 660' 990' 1650' 1980' 2310' 2640' 2970' 3300' 0'

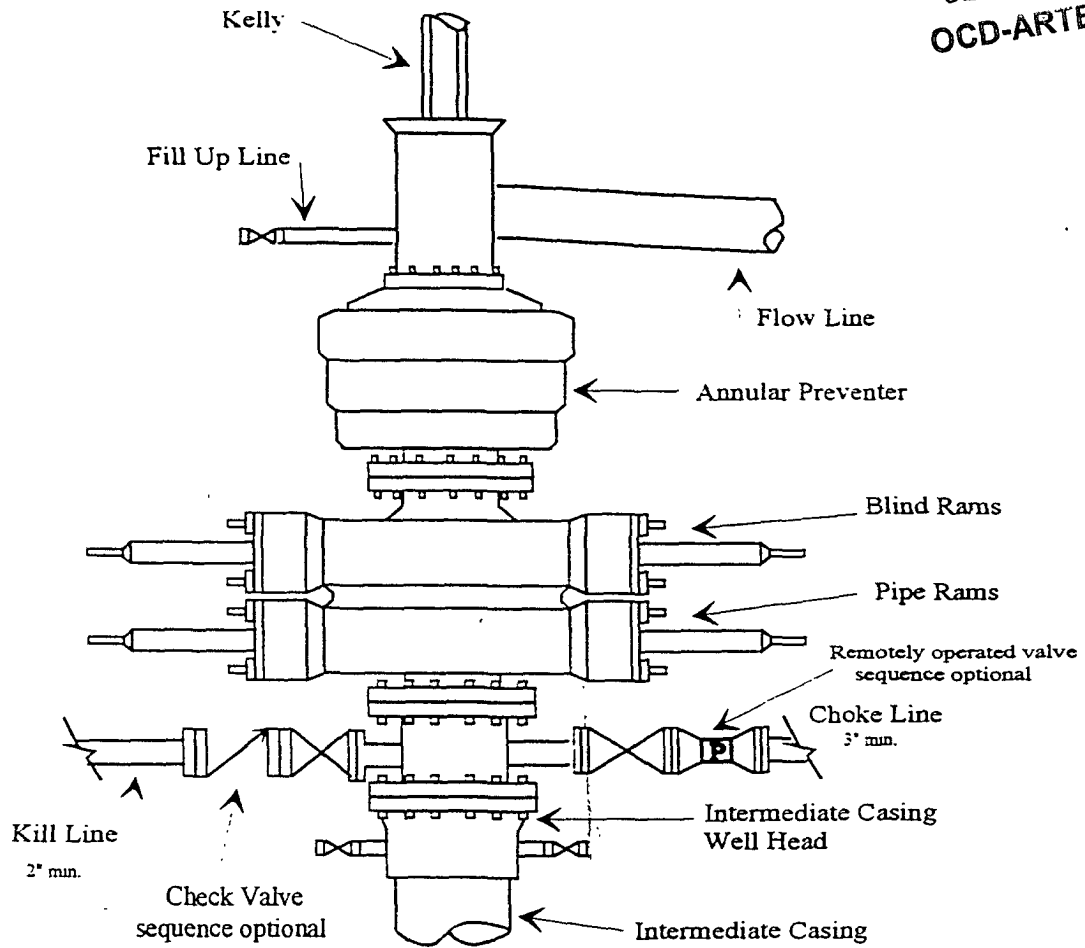


# Yates Petroleum Corporation

BOP-4

## Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

SEP 10 2007  
OCD-ARTESIA



Typical 5,000 psi choke manifold assembly with at least these minimum features

