

District I
4625 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

☐ AMENDED REPORT



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

| | | | |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------|--------------------------------------------------------------------------------|
| ¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 | | NOV 08 2007 OCD-ARTESIA | ² OGRID Number 025575 ³ API Number 30-005-63995 |
| ⁴ Property Code 25245 | ⁵ Property Name Ruby Jo ATY | | ⁶ Well No. 2 |
| ⁹ Proposed Pool 1 Wildcat Precambrian, Foor Ranch, Pre-Permian North (97094) | | ¹⁰ 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 | 13 | 8S | 26E | | 1980' | 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

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------|--------------------------------------------|--------------------------------------------------------|
| ¹¹ Work Type Code N | ¹² Well Type Code G | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code P | ¹⁵ Ground Level Elevation 3965' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 6750' | ¹⁸ Formation Basement | ¹⁹ Contractor Not Determined | ²⁰ Spud Date ASAP |
| Depth to Groundwater 100' feet or more | | Distance from nearest fresh water well More than 1000' | | Distance from nearest surface water Less than 1000' |
| 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 checked="" type="checkbox"/> Brine <input 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 |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 12.25 | 8.625 | 24# | 1000' | 525 sx | Surface |
| 7.875 | 5.5 | 15.5# | 6750' | 600 sx | ** |
| | | | | | |
| | | | | | |
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²² 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/Intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. Intermediate casing will be set at 4150', cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.
MUD PROGRAM: 0-400' FW/Gel/Paper; 400'-6150' FW going to Brine; 6150'-12300' Cut Brine w/Sweeps; 12300' -13900' Salt Gel/Starch/Drispac..
BOPE PROGRAM: a 5000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.
Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Precambrian formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

²³ 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 NMOC 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: 11/7/07

Phone: (505) 748-4376

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT
DISTRICT II GEOLOGIST

Title:

Approval Date: NOV 09 2007

Expiration Date: NOV 09 2008

Conditions of Approval Attached ☐

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

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

| | | |
|-------------------------------------|-----------------------------------------------------------|------------------------------------------------------------------------------|
| ¹ API Number | ² Pool Code 97094 | ³ Pool Name Wildcat Precambrian; Foor Ranch; Pre-Permian North |
| ⁴ Property Code 25245 | ⁵ Property Name RUBY JO ATY | ⁶ Well Number 2 |
| ⁷ OGRID No. 025575 | ⁸ Operator Name YATES PETROLEUM CORPORATION | ⁹ Elevation 3965' |

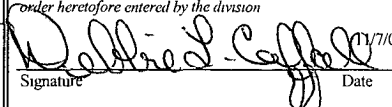
¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|------------------|
| UL or lot no. K | Section 13 | Township 8S | Range 26E | Lot Idn | Feet from the 1980 | North/South line SOUTH | Feet from the 1980 | East/West line WEST | County CHAVES |
|--------------------|---------------|----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|------------------|

¹¹ 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 |
| ¹² Dedicated Acres 320 - S/2 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ 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.

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|---------------|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ¹⁶ | | | | ¹⁷ OPERATOR CERTIFICATION 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 11/7/07 Debbie L. Caffall Printed Name Regulatory Agent Title |
| | | | | ¹⁸ 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 REFER TO ORIGINAL PLAT Certificate Number |

1980'

1980'

Fee

DISTRICT II

211 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brueco Rd., Aztec, NM 87410

DISTRICT IV

5040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED
OCD - ARTESIA

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|--------------------|----------------------------------------------|----------------------------------|
| API Number | Pool Code | Pool Name Wildcat Precambrian |
| Property Code | Property Name RUBY JO "ATY" | Well Number 2 |
| OCRD No. 025575 | Operator Name YATES PETROLEUM CORPORATION | Elevation 3965 |

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 | 13 | 8S | 26E | | 1980 | SOUTH | 1980 | WEST | 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

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|------------------------|-----------------|--------------------|-----------|
| 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

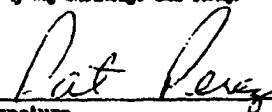
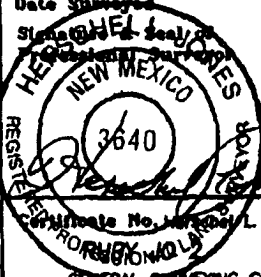
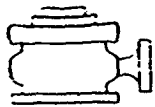
| | | | | |
|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Pat Perez Printed Name Regulatory Agent Title November 21, 2001 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. 11/07/2001 Date Surveyed  State of New Mexico Registered Professional Surveyor License No. 3640 L. Jones GENERAL SURVEYING COMPANY |
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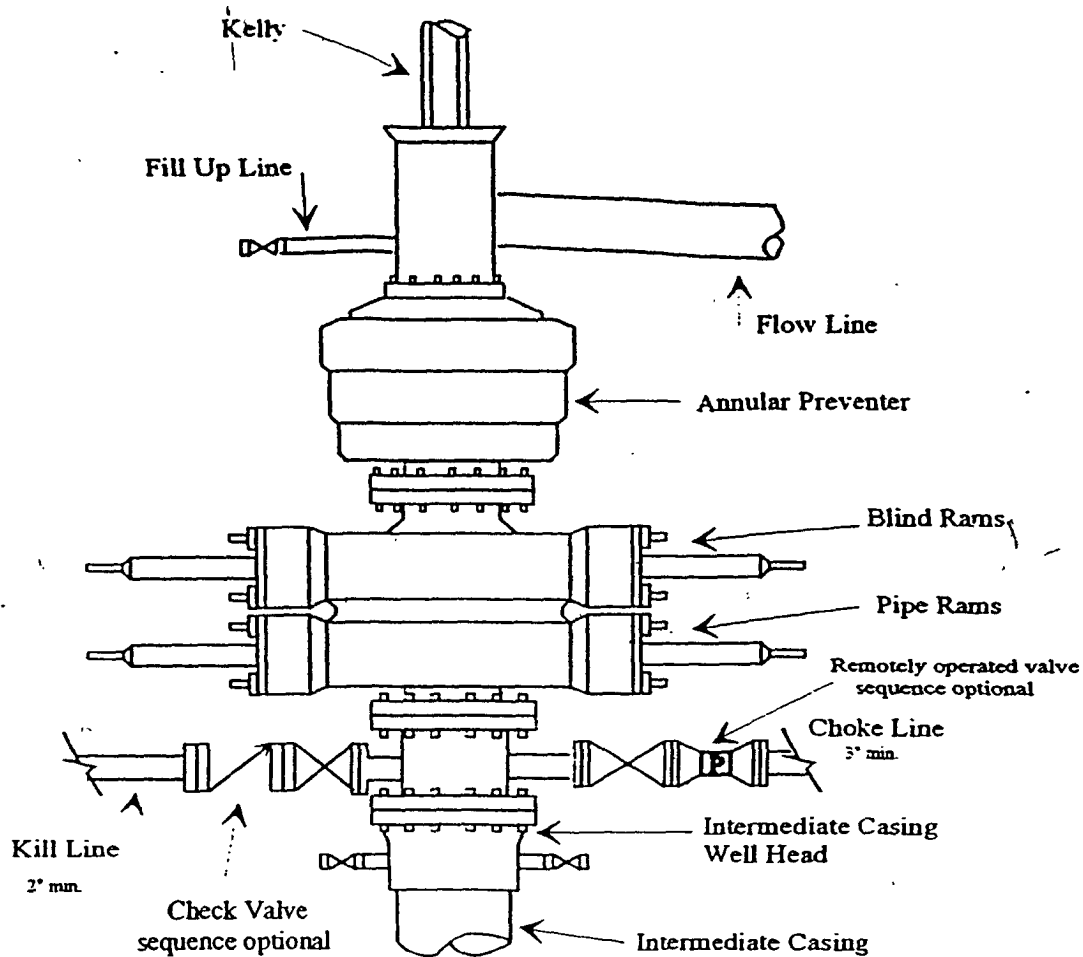
Diagram details: A well location is shown with a bearing of N.33°37'04.7" and a distance of 1980'. The word 'Fee' is written across the diagram area.



Yates Petroleum Corporation

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

BOP-4



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

