

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

NOV 14 2007

Submit to appropriate District Office

OCD-ARIESA ☐ 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 S. 4 <sup>th</sup> Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-015-35746
<sup>4</sup> Property Code 34426	<sup>5</sup> Property Name Clayton BFO State Com	<sup>6</sup> Well No 3
<sup>9</sup> Proposed Pool 1 Cramer, Atoka		<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	16	19S	26E		660	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 P	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary N/A	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3367'GR
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth N/A	<sup>18</sup> Formation Mississippian	<sup>19</sup> Contractor N/A	<sup>20</sup> Spud Date N/A
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method:				
Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input 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
		IN PLACE			

<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 plans to plugback and recompleat this well as follows: Set a composite bridge plug at 9342'. Perforate Atoka 9094'-9104' (61). Stimulate as needed. Will consider commingling the Atoka and Morrow zones by drilling out the composite bridge plug.

<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: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tina@ypcnm.com

Date: November 12, 2007

Phone: 505-748-4168

**OIL CONSERVATION DIVISION**

Approved by.

**BRYAN G. ARANT**  
**DISTRICT II GEOLOGIST**

Title:

Approval Date.

DEC 04 2007

Expiration Date

DEC 04 2008

Conditions of Approval Attached ☐

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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

<sup>1</sup> API Number 30-015-35746	<sup>2</sup> Pool Code 97642	<sup>3</sup> Pool Name Crane; ; Atoka
<sup>4</sup> Property Code 34426	<sup>5</sup> Property Name Clayton BFO State Com	<sup>6</sup> Well Number 3
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name Yates Petroleum Corporation	<sup>9</sup> Elevation 3367'GR

<sup>10</sup> Surface Location

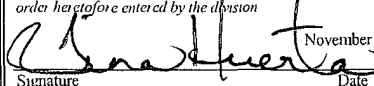
UL or lot no. N	Section 16	Township 19S	Range 26E	Lot 1dn	Feet from the 660	North/South line South	Feet from the 1650	East/West line West	County Eddy
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 320	<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.

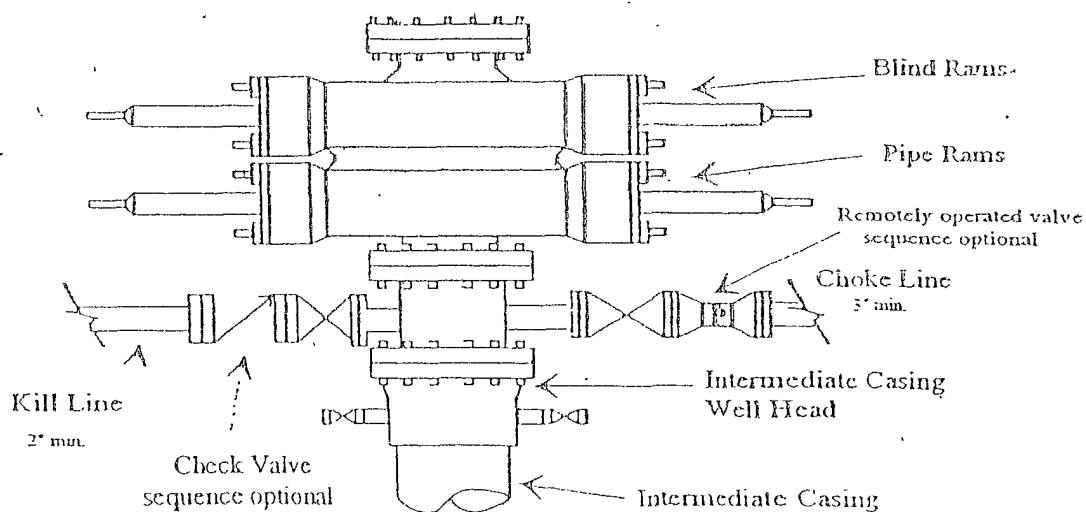
16					<sup>17</sup> OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location 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>  November 12, 2007 Signature Tina Huerta Printed Name
					<sup>18</sup> SURVEYOR CERTIFICATION <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:  Certificate Number

1650' W

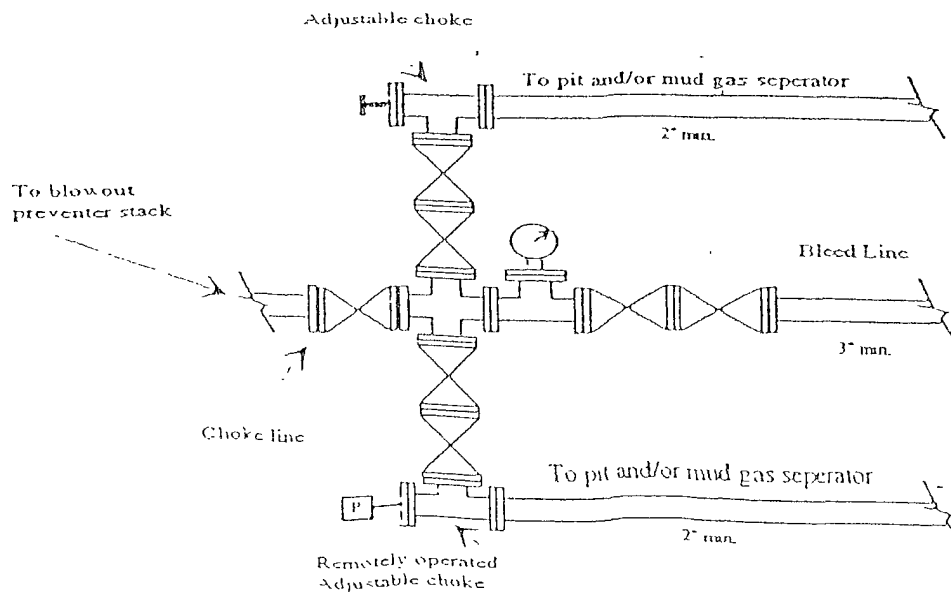
660'

# Yates Petroleum Corporation

## Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features



WELL NAME: Clayton BFO State Com #3

FIELD:

LOCATION: 660' FSL & 1,650' FEL Sec 16-19S-26E

Eddy County, NM

GL: 3,367'

ZERO:

KB:

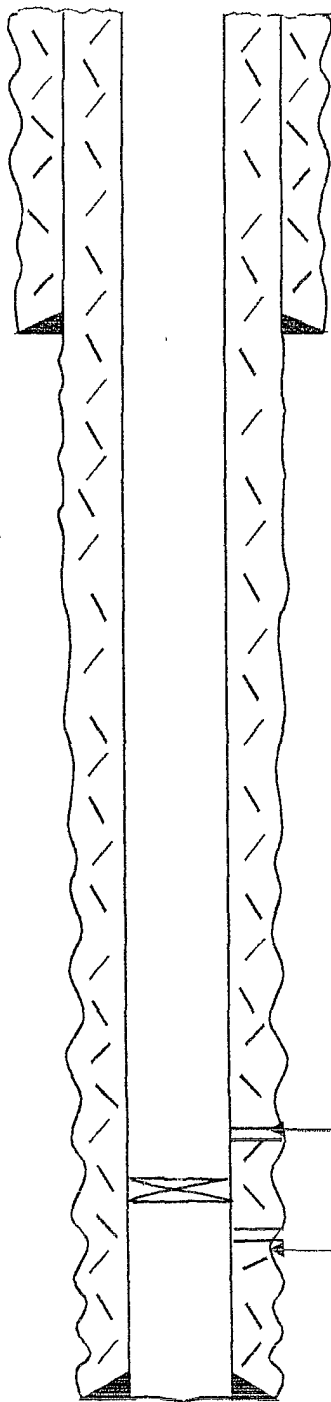
SPUD DATE: 9/4/07 COMPLETION DATE:

COMMENTS: API #30-015-35746

### CASING PROGRAM

13-3/8" 48# H-40	1,250'
5-1/2" 17# J-55	1,209'
5-1/2" 15.5# J-55	5,120'
5-1/2" 17# J-55	1,686'
5-1/2" 17# HCP-110	1,829'
	9,840

17-1/2" Hole



13-3/8" @ 1,250 w/1100 sx  
1"ed to surface with 1010 sx

After

7-7/8" Hole

Atoka Perfs: 9,094-9,104' (61)

Composite Bore 9342'

Morrow Perfs. 9,436-9,442' (37), 9,462-9,468' (37)

5-1/2" @ 9,840' w/ 1700 sx cmt  
(Circ)

FC 9,794'  
TD 9,840'

Not to Scale  
10/12/07  
DC/M.Hill

MARTIN YATES, III  
1912-1985

FRANK W. YATES  
1936-1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (575) 748-1471

S.P. YATES  
CHAIRMAN EMERITUS

JOHN A. YATES  
CHAIRMAN OF THE BOARD

FRANK YATES, JR.  
PRESIDENT

PEYTON YATES  
DIRECTOR

JOHN A. YATES, JR.  
DIRECTOR

November 12, 2007

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

Re: Clayton BFO State Com #3  
Section 16-T19S-R26E  
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 Atoka 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