

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

JUL - 7 2008  
Submit to appropriate District Office  
OCD-ARTESIA  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 205575	
		<sup>3</sup> API Number 30 - 015 - 36412	
<sup>4</sup> Property Code	<sup>5</sup> Property Name Link BKT Federal Com		<sup>6</sup> Well No 4H
<sup>9</sup> Proposed Pool 1 Wildcat Wolfcamp		<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
I	18	16S	25E		1880'	South	240'	East	Eddy

<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
I	17	16S	25E		1880'	South	660'	East	Eddy

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 3554'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4950' TVD & 9533' MD	<sup>18</sup> Formation Wolfcamp	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP
Depth to Groundwater 60'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit Liner Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/>		Pit Volume 24,000 bbls		Drilling Method Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>
Closed-Loop System <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#	1000'	500 sx	Surface
7 7/8"	5 1/2"	17#	9533' MD	1425 sx	Surface

<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 a horizontal well to test the Wolfcamp formation Approximately 1000' of surface casing will be set and cement circulated to the surface Production casing will be set at 9533' MD and cement circulated to surface The vertical portion of the hole will be drilled to a total depth of 4400' At 4400' the well will be directionally drilled at 12 0 degrees per 100' with a 7 7/8" hole until horizontal The lateral will be drilled to a TVD of 4900' with a measured depth of 9533' where production casing will be run and cemented and stimulated as needed to gain production

**MUD PROGRAM:** 0-1000' FW Gel, 1000'-4400' Cut Brine, 4400'-9533' MD Cut Brine (Horizontal Section)

**BOPE PI**

**NOTE: NEW PIT RULE**  
19-15-17 NMAC PART 17  
A form C-144 must be approved before starting drilling operations.

casing and tested daily for operational

etc to the pit will be it , or

<sup>23</sup> I hereby best of my construct an (attach	OIL CONSERVATION DIVISION	
	Approved by <i>Jim W. Brown</i>	
Printed name Cy Cowan	Title <i>District II Supervisor</i>	
Title Regulatory Agent <i>Cy Cowan</i>	Approval Date <i>7/8/08</i>	Expiration Date <i>7/10/10</i>
E-mail Address		
Date June 3, 2008	Phone (575) 748-4372	Conditions of Approval Attached <input type="checkbox"/>

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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 97485	Pool Name Wildcat Wolfcamp
Property Code 37208	Property Name LINK "BKT" FEDERAL COM	Well Number 4H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3554'

Surface Location

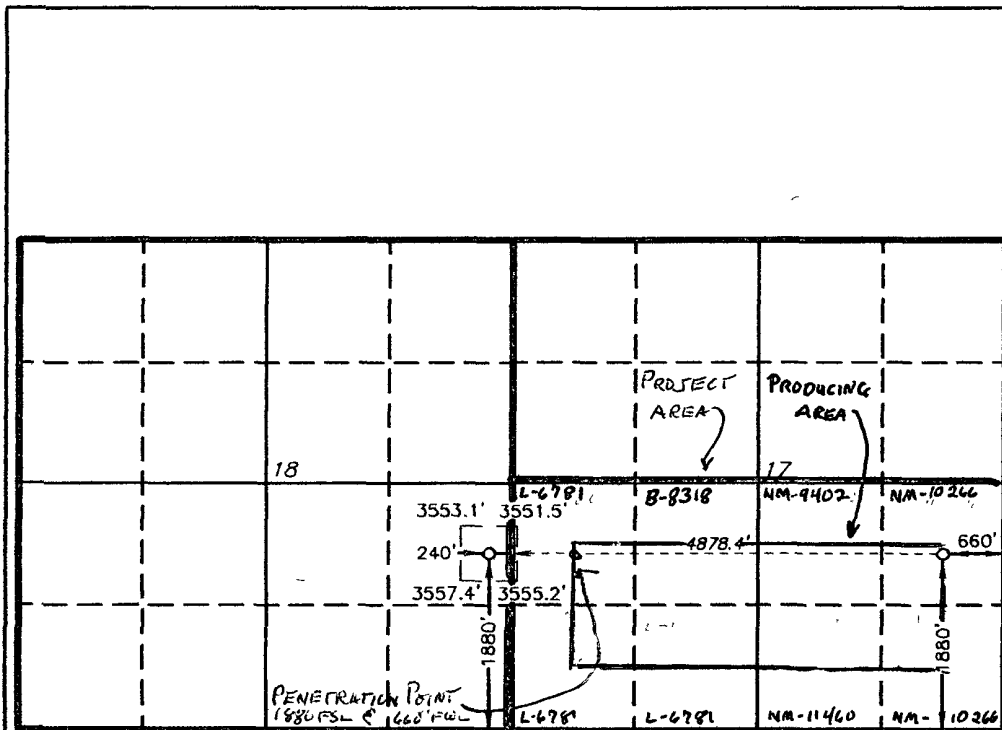
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	18	16 S	25 E		1880	SOUTH	240	EAST	EDDY

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
1	17	16 S	25 E		1880	SOUTH	240	EAST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320 S2			

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



**SURFACE LOCATION**  
Lat - N32°55'15.47"  
Long - W104°31'01.13"  
SPC- N.: 698829.985  
E.: 484985.649  
(NAD-83)

**BOTTOM HOLE LOCATION**  
Lat - N32°55'15.36"  
Long - W104°30'03.89"  
SPC- N.: 698810.737  
E.: 489863.961  
(NAD-83)

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 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.

*Cy Cowan* 7/1/08  
Signature Date

Cy Cowan  
Printed Name

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.

MAY 8, 2008

Date Surveyed  
Signature  
Professional

*Gary L. Jones*  
Professional Seal  
No. 19248

Certificate No. Gary L. Jones 7977

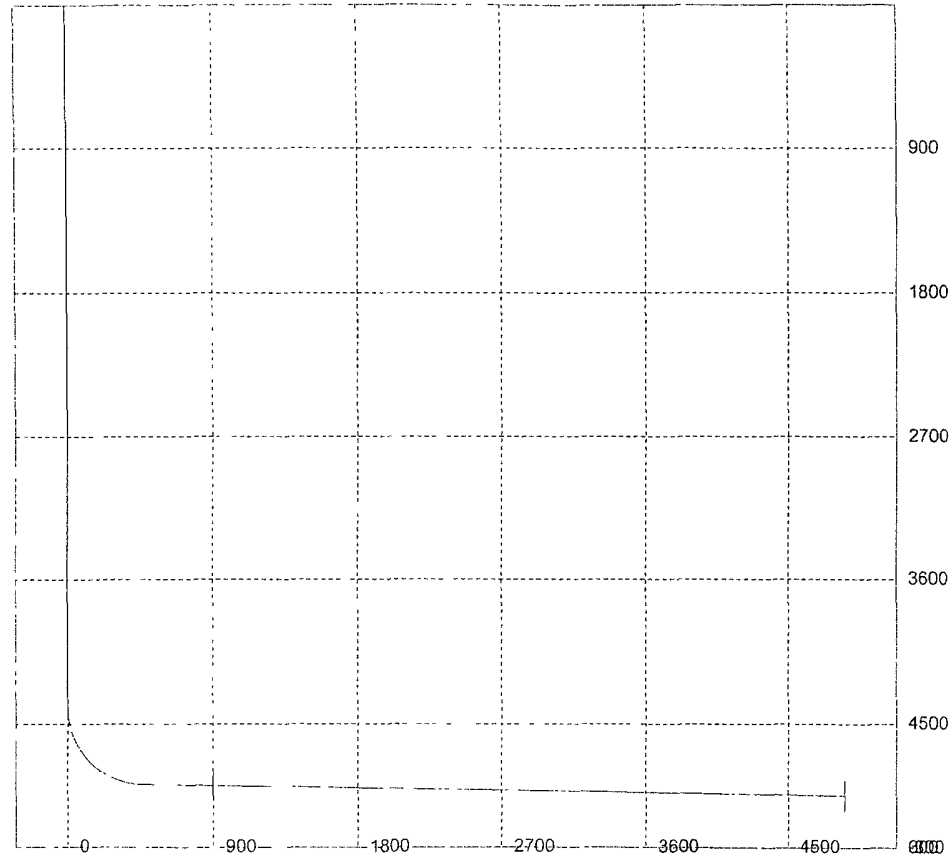
BASIN SURVEYS

MD	Inclination	Azimuth	TVD	N/S	E/W	D/S	Toolface	Reg	Stgn
0	0	0	0	0	0	0			
566	0	0	566	0	0	0			SAN ANDRES
1820	0	0	1820	0	0	0			GLORIETA
3113	0	0	3113	0	0	0			TUBB
3804	0	0	3804	0	0	0			ABO
4400	0	0	4400	0	0	12	90	GN	KOP
4425	3	90	4424.99	0	0.65	12	0	HS	
4450	6	90	4449.91	0	2.62	12	0	HS	
4475	9	90	4474.69	0	5.88	12	0	HS	
4500	12	90	4499.27	0	10.43	12	0	HS	
4525	15	90	4523.58	0	16.27	12	0	HS	
4550	18	90	4547.54	0	23.37	12	0	HS	
4575	21	90	4571.11	0	31.71	12	0	HS	
4600	24	90	4594.2	0	41.28	12	0	HS	
4625	27	90	4616.77	0	52.04	12	0	HS	
4650	30	90	4638.73	0	63.97	12	0	HS	
4675	33	90	4660.05	0	77.03	12	0	HS	
4700	36	90	4680.65	0	91.19	12	0	HS	
4725	39	90	4700.48	0	106.4	12	0	HS	
4750	42	90	4719.49	0	122.64	12	0	HS	
4775	45	90	4737.62	0	139.85	12	0	HS	
4800	48	90	4754.83	0	157.98	12	0	HS	
4825	51	90	4771.06	0	176.99	12	0	HS	
4850	54	90	4786.28	0	196.82	12	0	HS	
4875	57	90	4800.44	0	217.42	12	0	HS	
4900	60	90	4813.5	0	238.73	12	0	HS	
4925	63	90	4825.42	0	260.7	12	0	HS	
4950	66	90	4836.19	0	283.26	12	0	HS	
4975	69	90	4845.75	0	306.36	12	0	HS	
5000	72	90	4854.1	0	329.92	12	0	HS	
5025	75	90	4861.2	0	353.89	12	0	HS	
5050	78	90	4867.03	0	378.19	12	0	HS	
5075	81	90	4871.59	0	402.77	12	0	HS	
5100	84	90	4874.85	0	427.56	12	0	HS	
5125	87	90	4876.81	0	452.48	12	0	HS	
5141.57	88.99	90	4877.39	0	469.04	0			
5572.6	88.99	90	4885	0	900	0			WOLFCAMP
5572.6	88.99	90	4885	0	900	12	3	HS	
5573.28	89.07	90	4885.01	0	900.68	0			
9533.14	89.07	90	4950	0	4860	0			LATERAL TD

Well will be drilled vertically to 4400'. At 4400' the well will be directionally drilled at 12 degrees per 100' with a 7 7/8" hole until horizontal. The lateral will then be drilled to a TVD of 4950' with a MD of 9533' where 5 1/2" casing will be set and cemented. The penetration point for the Wolfcamp formation will be 1880' FSL & 660' FWL of Section 17, 16S-25E

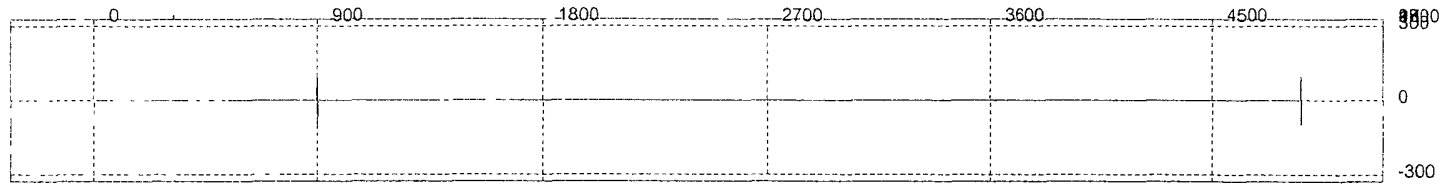
# 3D<sup>3</sup> Directional Drilling Planner - 3D View

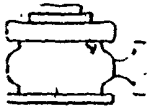
Company: Yates Petroleum Corporation  
Well: Link BKT Federal Com. #4H



# 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation  
Well: Link BKT Federal Com. #4H

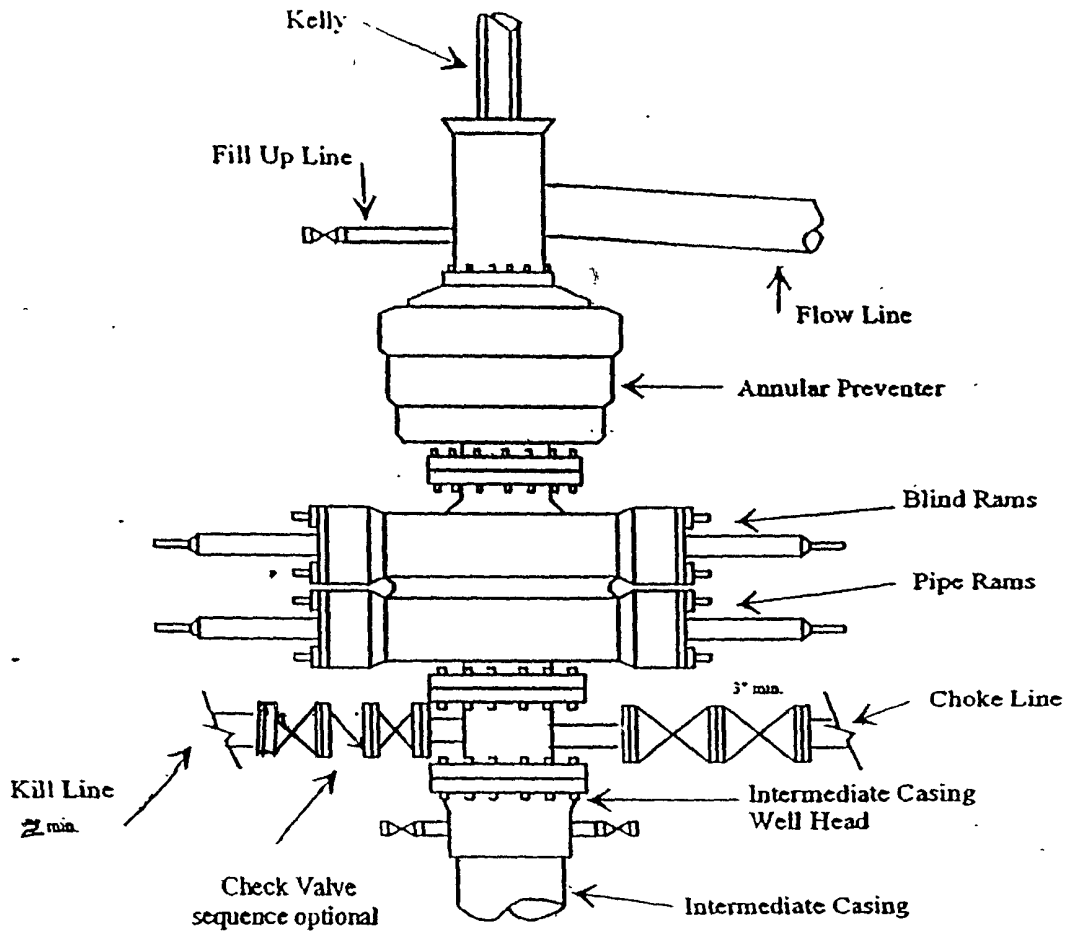




# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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

