

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

June 16, 2008

## 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**

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 - 015-36553	
<sup>1</sup> Property Code 33014		<sup>5</sup> Property Name Clifford ADD Com.	
<sup>9</sup> Proposed Pool 1 Wildcat Mississippian		<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
J	35	19S	24E		1700'	South	1400'	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

## 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 P	<sup>15</sup> Ground Level Elevation 3651'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 9350'	<sup>18</sup> Formation Chester	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	9 5/8"	36#	1150'	1200sx	Surface
8 5/8"	7"	23# & 26#	9350'	1290 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 and test the Chester and Intermediate formations. Approximately 1150' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

H2S Contingency Plan attached.

MUD PROGRAM: 0-1150' FW Gel/LCM; 1150'-5400'-7400' Cut Brine; 7400'-TD

Brine/Starch/KCL

BOPE PROGRAM: A 3000# BOPE will be installed on the 9 5/8" casing and tested daily.

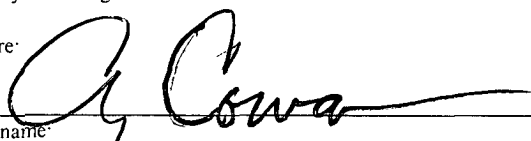
**NOTE: NEW PIT RULE**

19-15-17 NMAC PART 17

A form C-144 must be approved before starting drilling operations.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature:



Printed name:

Cy Cowan

Title

Regulatory Agent

E-mail Address:

cy@ypcnm.com

Date:

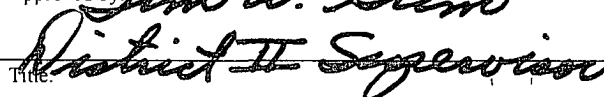
August 15, 2008

Phone:

(575) 748-4372

## OIL CONSERVATION DIVISION

Approved by:



Title:

Approval Date: AUG 30 2005

8/22/08

Expiration Date: AUG 30 2006

8/22/10

Conditions of Approval Attached ☐

**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

Fee Lease - 3 Copies

☐ AMENDED REPORT

<sup>1</sup> API Number 30-015-33027	<sup>2</sup> Pool Code 97338	<sup>3</sup> Pool Name Wildcat Mississippi
<sup>4</sup> Property Code 33014	<sup>5</sup> Property Name CLIFFORD ADD 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 3651'

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	35	19S	24E		1700	SOUTH	1400	EAST	RDNY

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 S/2	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--	-------------------------------	----------------------------------	-------------------------

16				<p><b>17 OPERATOR CERTIFICATION</b></p> <p><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 as a voluntary pooling agreement or a compulsory pooling order hereafter entered by the division</i></p> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="border-bottom: 1px solid black; width: 80%;"></div> <div style="text-align: right;">8/16/07</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div style="border-bottom: 1px solid black; width: 80%;"></div> <div style="text-align: right; width: 15%;"></div> </div> <div style="margin-top: 5px;"> <div style="border-bottom: 1px solid black; width: 80%;"></div> <div style="border-bottom: 1px solid black; width: 80%;"></div> <div style="border-bottom: 1px solid black; width: 80%;"></div> </div>
<div style="border: 2px solid black; padding: 10px; margin-bottom: 10px; text-align: center;">NM-26864</div> <div style="border: 2px solid black; padding: 10px; text-align: center;">NM-51820</div>		<p style="text-align: center; font-weight: bold;">FEE</p> <div style="position: relative; height: 200px; margin-top: 20px;"> <div style="position: absolute; top: 0; right: 0; left: 50%; transform: translateX(50%);">1400'</div> <div style="position: absolute; bottom: 0; left: 50%; transform: translateX(-50%);">1700'</div> </div>		<p><b>18 SURVEYOR CERTIFICATION</b></p> <p><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></p> <div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="border-bottom: 1px solid black; width: 100%;"></div> </div> <div style="margin-top: 10px;"> <div style="border-bottom: 1px solid black; width: 100%;"></div> </div>

DISTRICT II  
641 South First, Santa Fe, NM 87501

DISTRICT III  
1000 Rio Grande St., Santa Fe, NM 87501

DISTRICT IV  
2000 Santa Fe Avenue, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

Revised March 17, 1969  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

P.O. Box 2008  
Santa Fe, New Mexico 87504-2008

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code <b>96068</b>	Pool Name <b>Wildcat MISS</b>
Property Code	Property Name <b>CLIFFORD "ADD" COM.</b>	Well Number <b>3</b>
DEED No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORPORATION</b>	Elevation <b>3651</b>

### Surface Location

TL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
<b>J</b>	<b>35</b>	<b>19S</b>	<b>24E</b>		<b>1700</b>	<b>SOUTH</b>	<b>1400</b>	<b>EAST</b>	<b>EDDY</b>

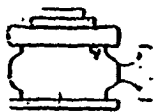
### Bottom Hole Location If Different From Surface

TL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County

Dedicated Acres <b>320</b>	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

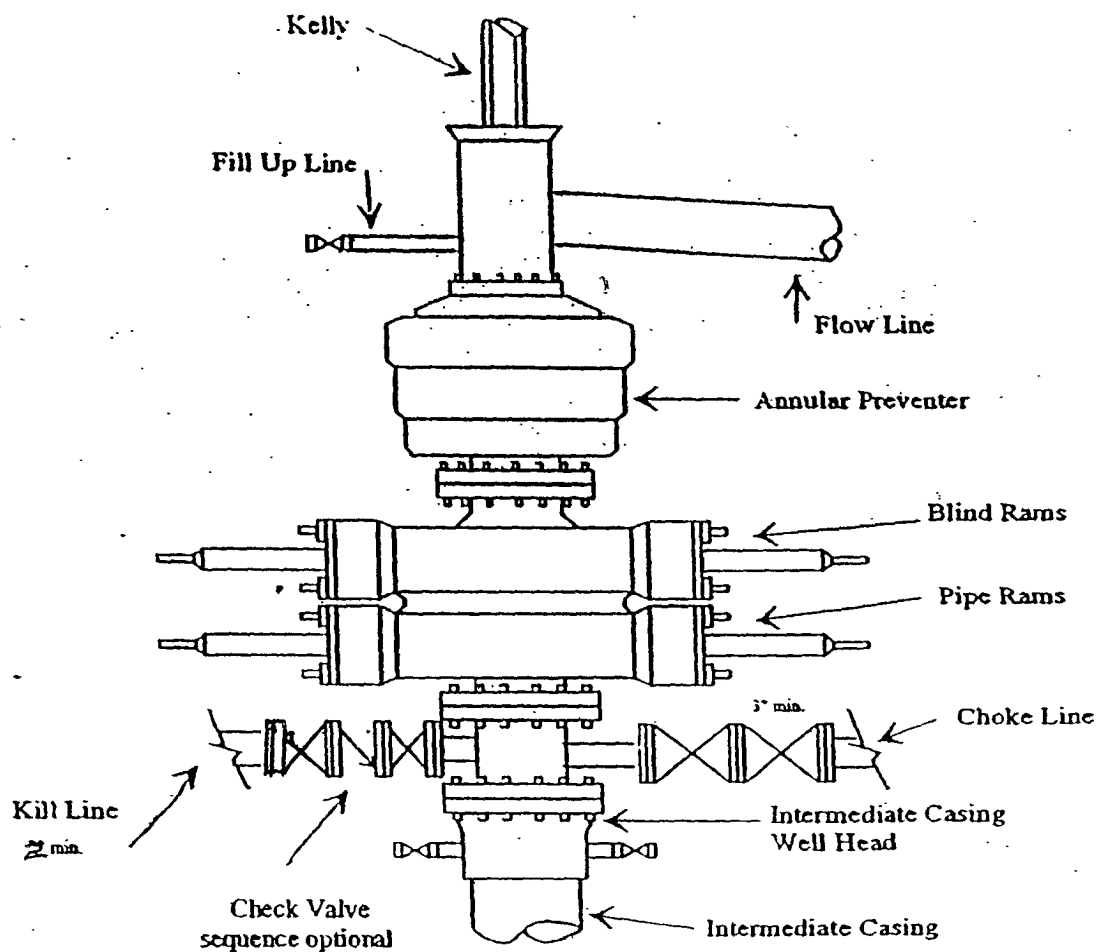
				<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Cy Cowan Printed Name Regulatory Agent Title September 29, 2003 Date	
				<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my belief. 8/26/2003 Date Surveyed Signature & Seal of Professional Engineer  Herschell L. Jones State of New Mexico License No. 3640 Clifford J. Yates Yates Petroleum Corporation	



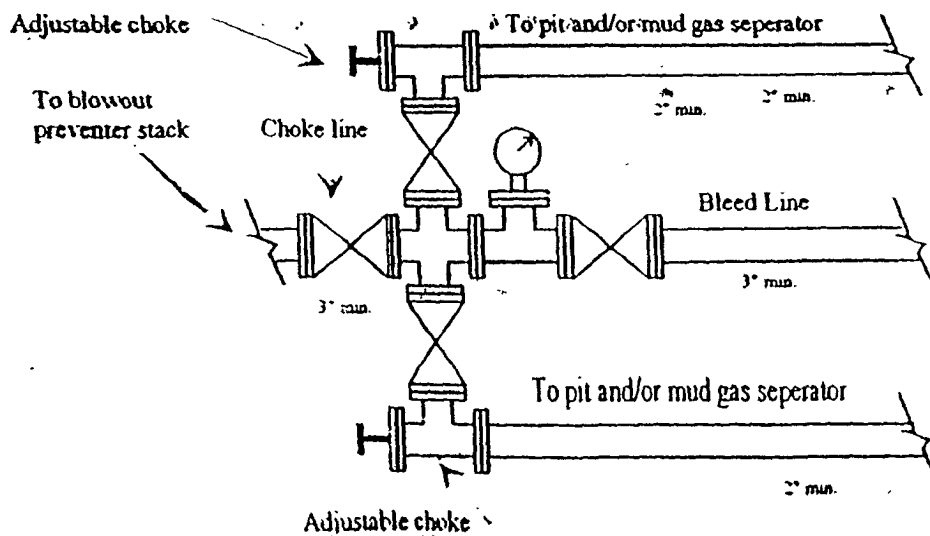
# Yates Petroleum Corporation

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



# **Yates Petroleum Corporation**

**105 S. Fourth Street  
Artesia, NM 88210**

## **Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan**

**For**

**Clifford ADD Com. # 3**

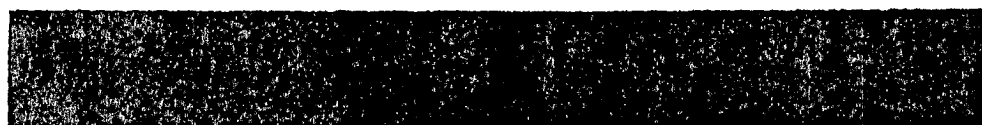
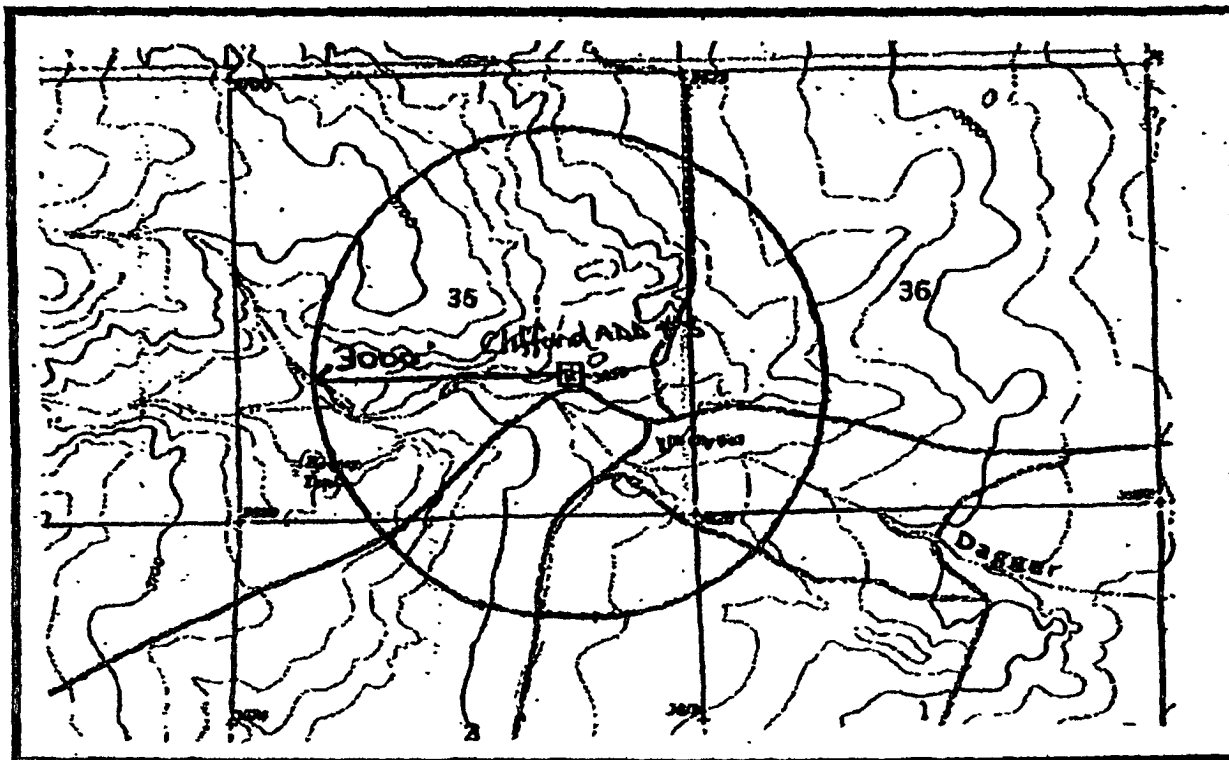
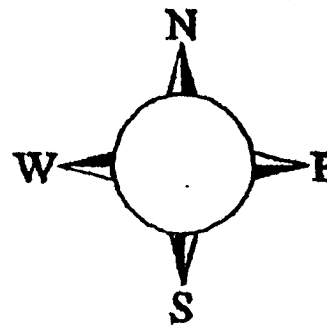
**1700' FSL, 1400' FEL**

**Sec-35, T-19S, R-24E**

**Eddy County NM**

### Clifford ADD Com. #3 Location

This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.



## **Yates Petroleum Corporation Phone Numbers**

YPC Office ..... (505) 748-1471  
Pinson McWhorter/Operations Manager ..... (505) 748-4189  
Darel Atkins/Production Manager ..... (505) 748-4204  
Ron Beasley/Prod Superintendent ..... (505) 748-4210  
Al Springer/Drilling ..... (505) 748-4225  
Paul Hance/Prod. Foreman/Roswell ..... (505) 624-2805  
Jim Krogman/Drilling Superintendent ..... (505) 748-4215  
Artesia Answering Service ..... (505) 748-4302  
(During non-office hours)

### **Agency Call List**

#### **Eddy County (505)**

##### **Artesia**

State Police ..... 746-2703  
City Police ..... 746-2703  
Sheriff's Office ..... 746-9888  
Ambulance ..... 911  
Fire Department ..... 746-2701  
LEPC (Local Emergency Planning Committee) ..... 746-2122  
NMOCD ..... 748-1283

##### **Carlsbad**

State Police ..... 885-3137  
City Police ..... 885-2111  
Sheriff's Office ..... 887-7551  
Ambulance ..... 911  
Fire Department ..... 885-2111  
LEPC (Local Emergency Planning Committee) ..... 887-3798  
US Bureau of Land Management ..... 887-6544

New Mexico Emergency Response Commission (Santa Fe) .. (505) 476-9600  
24 HR ..... (505) 827-9126  
National Emergency Response Center (Washington, DC) ... (800) 424-8802

##### **Other**

Boots & Coots IWC ..... 1-800-256-9688 or (281) 931-8884  
Codd Pressure Control ..... (915) 699-0139 or (915) 563-3356  
Halliburton ..... (505) 746-2757  
B. J. Services ..... (505) 746-3569

Flight For Life -4000 24th St, Lubbock, TX ..... (806) 743-9911  
Aerocare -Rr 3 Box 49f, Lubbock, TX ..... (806) 747-8923  
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuquerque, NM ..... (505) 842-4433  
S B Air Med Svc 2505 Clark Carr Loop SE, Albuquerque, NM ..... (505) 842-4949

## **H2S Emergency Contingency Plan For Field Operation**

### **Alert and account for all personnel on location.**

- Move away from the source of the H2S and get out of the affected area. Move upwind from the well bore. Avoid inhalation of H2S.
- Don proper personal breathing equipment – 30 min. SCBA.
- Assist any personnel in distress using the 'buddy system'
- Alert other affected personnel on location.
- Proceed to pre-designated meeting area.
- Account for all personnel on location.

Take action to control the release of the H2S. Eliminate all possible sources of ignition.

*Do not re-enter the affected area without appropriate breathing equipment.*

- Take all appropriate measures to shut in the H2S gas source.
- Put out all open flames in the affected area and shut down all motors.
- Notify Supervisors.

The YPC Supervisor that will assess the situation and assign duties to various persons to bring the situation under control. Notifications of local law enforcement agencies, residents, and emergency vehicles will be assigned by the YPC Office.

Any press inquiries are to be referred to the YPC main office at 105 S Fourth Street, Artesia NM 88210. No statement to the Public or Media will be made by anyone other than management or a spokesperson authorized by management.

### **If The Above Actions Cannot Be Safely Accomplished:**

#### **Alert The Public That May Be Immediately Affected.**

- Down wind residences.
- Highway or street traffic that may be affected.

**Contact The Appropriate Government Agency(s) (911, Sheriff, Railroad Commissions, City Police Etc.).**

- State police – if on or near a state road
- Sheriff's dept. – if on or near a county road  
(Requests help to evacuate the public if necessary and to help maintain roadblocks)

- Make any necessary recommendations, wind direction, affected area, etc.
- Start evacuation procedures where appropriate.
- Proceed with best plan (at the time) to regain control of the leak.
- Maintain tight security and safety procedures.



## **Rescue & First Aid For Victims Of Hydrogen Sulfide Poisoning**

**Do not panic!**  
**Remain calm and think!**

**Don (put on) breathing apparatus.**

**Remove victim to fresh air as quickly as possible (i.e. Upwind from source or crosswind to achieve upwind). Do not run downwind.**

**Provide artificial respiration and/or CPR as necessary. (Use proper technique of turning your head after each breath to avoid inhaling exhaled H<sub>2</sub>S). If victim's clothing is contaminated with fluid that contains H<sub>2</sub>S then strip them to the waist.**

**Provide for prompt medical attention.**

**Notify the medical personnel beforehand that the victim has been poisoned by H<sub>2</sub>S.**

**In addition to basic First Aid, everyone on location should have a good working knowledge of CPR.**

## **Physical Effects of Hydrogen Sulfide**

Concentrations		Physical Effects
0.001%	10 ppm	obvious, and unpleasant odor- safe for 8 hours exposure
0.005%	50 ppm	cause some flu-like symptoms and can cause pneumonia
0.01%	100 ppm	kills sense of smell in 3-15 minutes -- may sting eyes and throat.
0.02%	200 ppm	kills sense of smell rapidly, severely stings eyes and throat, severe flu-like symptoms 4 or more hours may cause lung damage and/or death.
0.06%	600 ppm	unconscious quickly, death will result if not rescued promptly.

\* at 15.00 psia and 60 deg F.

### **CAUTION:**

Hydrogen Sulfide is a colorless, transparent gas and is flammable. It is heavier than air and may accumulate in low places.

**Public Evacuation Plan**

---

1. When the YPC supervisor determines the H<sub>2</sub>S or other emergency cannot be limited to the well location and the public will be involved, he will activate the evacuation plan.
  2. The supervisor will notify local government agencies that a hazardous condition exists and evacuation needs to be implemented.
  3. A safety person who has been trained in the use of H<sub>2</sub>S detection equipment and self-contained breathing apparatus shall monitor H<sub>2</sub>S concentrations, heat exposure, wind directions, and area of exposure. He/she will delineate the outer perimeter of the hazardous gas area. Extension to the evacuation area shall be determined from the information gathered.
  4. Law enforcement shall be called to aid in setting up and maintaining roadblocks. They will also aid in evacuation of the public if necessary, but they shall not be asked to enter the hazardous zone.
  5. Constant communications shall be maintained between company personnel and law enforcement safe for re-entry.
  6. After the discharge of gas has been controlled, the safety person will determine when the area is safe for re-entry.
- All atmospheric monitoring equipment shall have a minimum capability of reading H<sub>2</sub>S, oxygen, and flammability values.