

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

S

Submit to appropriate District Office

☐ AMENDED REPORT

SEP 11 2008

OCD-ARTESIA

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		² OGRID Number 25575
³ Property Code 35937	⁵ Property Name Canyon BJK State	³ API Number 30 - 015 - 36605
⁹ Proposed Pool 1 Wildcat, Bone Spring		⁶ Well No. 1Y
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
A	1	25S	29E		330	North	360	East	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


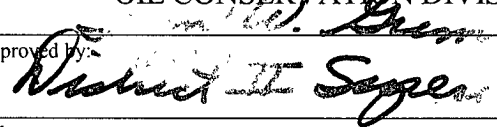
¹¹ Work Type Code New Well	¹² Well Type Code Oil	¹³ Cable/Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3140
¹⁶ Multiple N	¹⁷ Proposed Depth 9300	¹⁸ Formation Bone Spring	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48	600	625	CIRC
11	8.625	24	3150	875	CIRC
7.875	5.5	15.5	9300	1300	CIRC

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 Bone Spring and intermediate formations. Approximately 600' 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.
BOP PROGRAM: 3000# will be installed on the 8 625 casing and tested daily.
MUD PROGRAM 0-600' Fresh Water; 600'-3150' Brine; 3150'-9300' Fresh Water.
Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface to the Bone Spring Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

****Skid Rig 30 feet to the west from Canyon BJK State #1.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Armando Lopez		Title:	
Title: Chief Regulatory Agent		Approval Date: 9/11/08	Expiration Date: 9/12/10
E-mail Address: armandol@ypcnm.com			
Date: 9/11/08	Phone: 575-748-4479	Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I
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DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 94403	Pool Name Wildcat; Bone Spring
Property Code	Property Name CANYON "BJK" STATE	Well Number 1Y
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3140

Surface Location

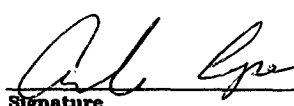

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 1	1	25S	29E		330	NORTH	360	EAST	EDDY

Bottom Hole Location If Different From Surface

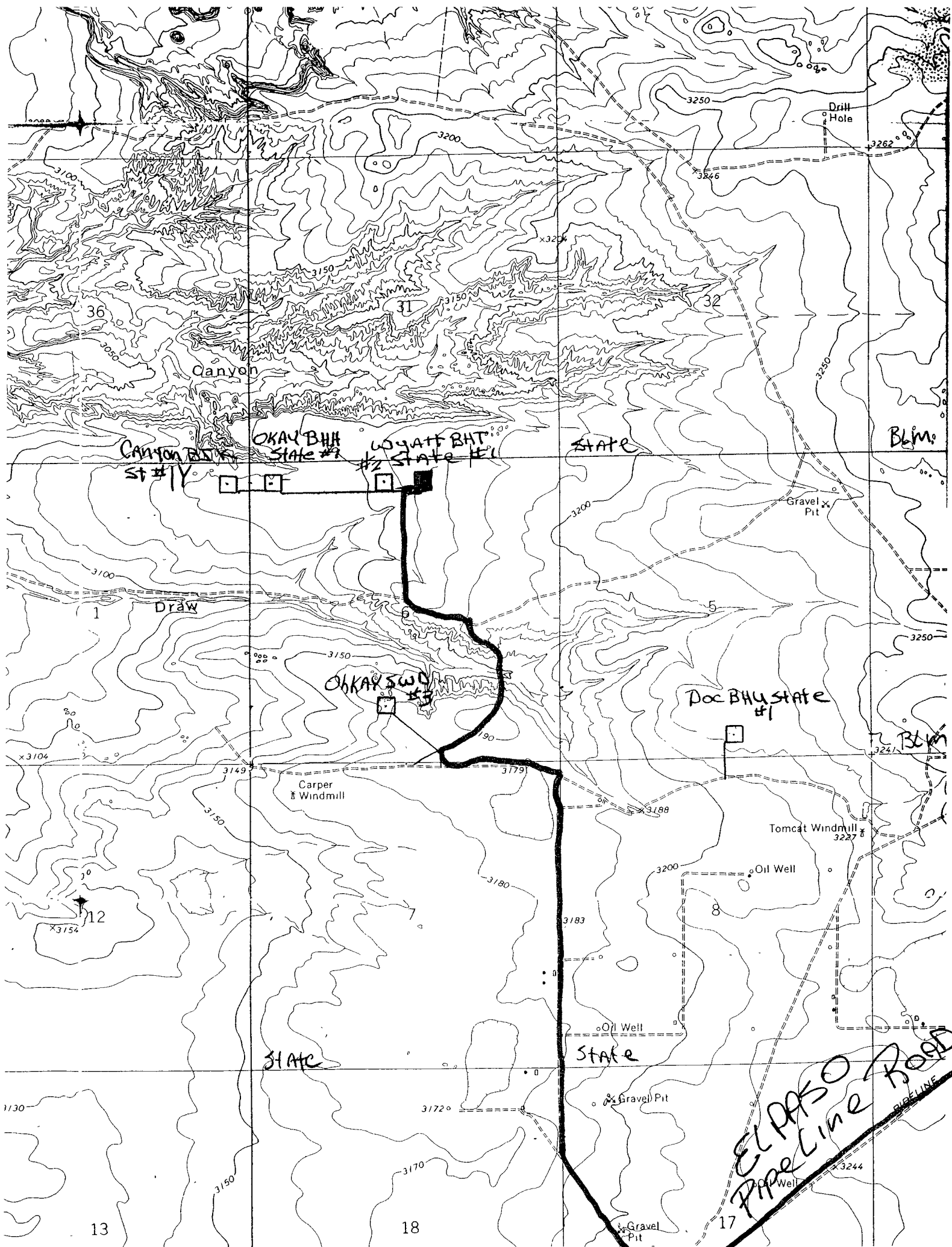
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 39.99	Joint or Infill	Consolidation Code	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

Lot 4	Lot 3	Lot 2	Lot 1 330' 360' N.32°09'56.4" W.103°55'49.9" N.424242.1 E.665979.0 (NAD-83)	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.  Signature Armando Lopez Printed Name Chief Regulatory Agent Title 9-11-08 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. 8/02/2006 Date Surveyed  Signature Professional Surveyor HERSCHEL JONES NEW MEXICO 3640 Certificate No. Herschel Jones RLS 3640 CANYON 1 GENERAL SURVEYING COMPANY

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



CANYON BHT
St #1Y

OKAY BHT
State #1

WYATT BHT
#2 State #1

STATE

B.M.

Draw

OKAY SWD
#3

Doc BHT State
#1

B.M.

Carpenter
Windmill

Tomcat Windmill
3227

Oil Well

Oil Well

Gravel Pit

Gravel Pit

El Paso Pipeline Road

PIPE LINE

13

18

17