

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

JUN 17 2009

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		² OGRID Number 025575
³ Property Code 34164	⁵ Property Name Independence BEI State Com	³ API Number 30 - 015 - 37129
⁹ Proposed Pool 1 Chester		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the 660'	North/South line	Feet from the 1980'	East/West line	County
C	36	20S	28E			North		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

¹¹ Work Type Code N	¹² Well Type Code Gas	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3221'
¹⁶ Multiple N	¹⁷ Proposed Depth 11,950'	¹⁸ Formation Chester	¹⁹ Contractor	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	600'	650	Surface
12 1/4"	9 5/8"	36#	3100"	1200	Surface
8 3/4"	5 1/2"	17#	11,950"	3150	TOC-2600'

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.

²³

Yates Petroleum Corporation proposes to drill/test the Chester and intermediate formations. Approximately 600' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production.

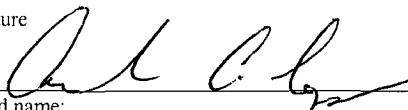
MUD PROGRAM: 0-600' FW/Paper, 600'-3,100' FW/LCM, 3,100'-9,050' Cut Brine, 9,050'-10,100' Cut Brine/Starch, 10,100'-TD Salt Gel/Starch/Drispac.
BOPE PROGRAM: A 3000# BOPE will be installed on the 9 625" casing and tested daily.

H2S is not anticipated

C-144 Approved 10/6/08 OCD permit # 0208554 attached (Previously Approved APD # 30-015-35747)

²³ 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

Land Regulatory Agent

E-mail Address:

cy@yatespetroleum.com

Date

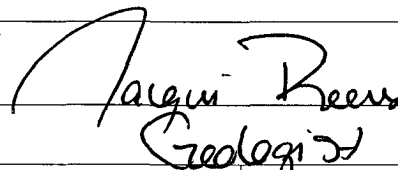
6/15/09

Phone

575-748-4372

OIL CONSERVATION DIVISION

Approved by



Title:

Geologist

Approval Date:

6/19/2009

Expiration Date:

6/19/2011

Conditions of Approval Attached

DISTRICT II
 811 South First, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-37129	Pool Code	Pool Name Wildcat Chester
Property Code 34164	Property Name INDEPENDENCE "BEI" STATE COM.	
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	
		Well Number 1
		Elevation 3221

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	36	20S	28E		660	NORTH	1980	WEST	EDDY

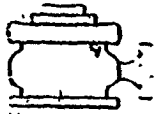
Bottom Hole Location If Different From Surface

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

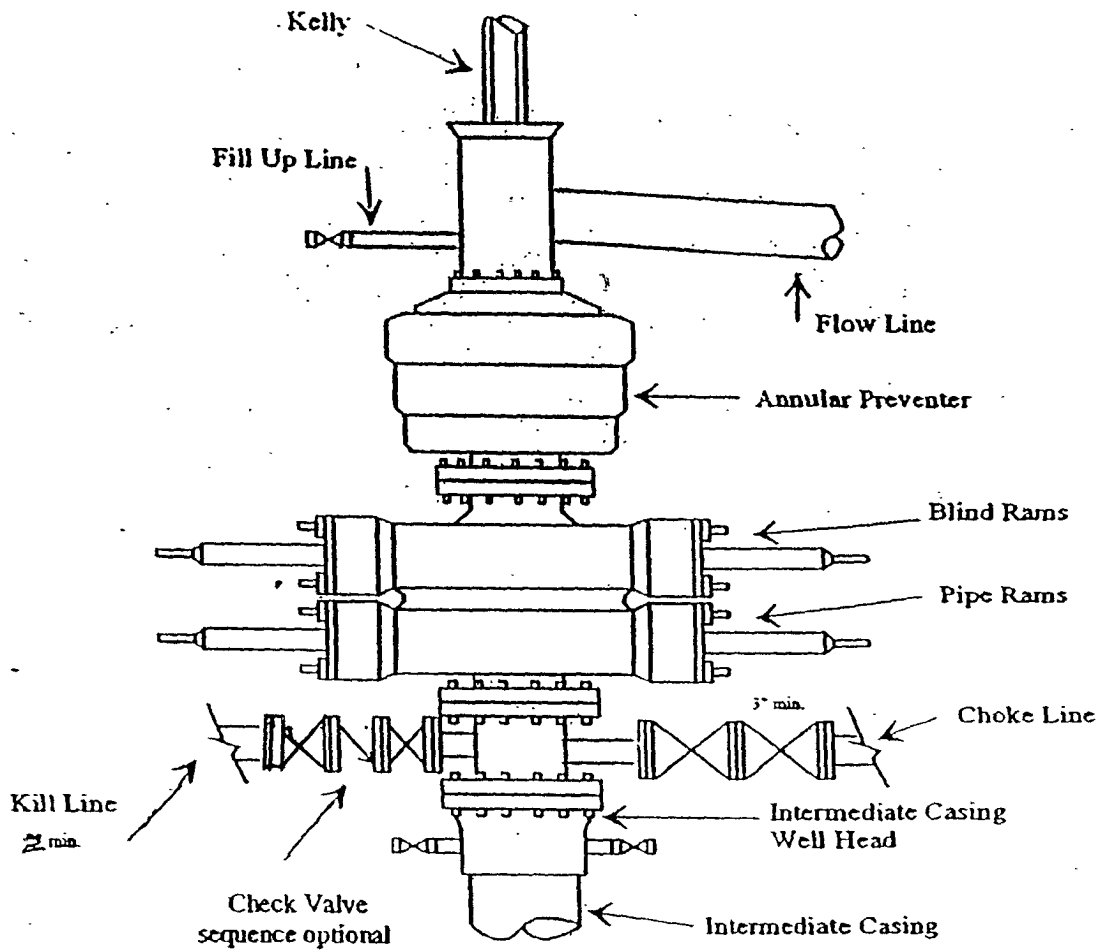
VB-559				<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p></p> <p>Signature</p> <p>Cy Cowan</p> <p>Printed Name</p> <p>Land Regulatory Agent</p> <p>Title</p> <p>6/16/09</p> <p>Date</p>
VO-5190	<p>N.558524.5 E.561729.2 (NAD 27)</p>			
<p>SURVEYOR CERTIFICATION</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> <p>5/27/2004</p> <p>Date Surveyed</p> <p></p> <p>Seal of Professional Surveyor</p> <p>3640</p> <p>Certificate No. Hershel L. Jones RLS 3640</p> <p>INDEPENDENCE</p> <p>GENERAL SURVEYING COMPANY</p>				



Yates Petroleum Corporation

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

BOP-3



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

