District 1
1625 N French Dr , Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St , Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

Phone (505) 476-3460 Fax (505) 476-3462

## State of New Mexico

Form C-101 Revised December 16, 2011

Permit

## Energy Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE OGRID Number Operator Name and Address 025575 Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210 <sup>3</sup> API Number 30-015-26671 Property Code 34877 <sup>3</sup> Property Name Dee 36 SE State Com Well No **Surface Location** UL - Lot Township Range Lot Idn Feet from N/S Line Feet From F/W Line County 19S 24E 990 South 990 East Eddy <sup>8</sup> Pool Information 08450 Canyon, Wolfcamp **Additional Well Information** Work Type 10 Well Type 11 Cable/Rotary 12 Lease Type 13 Ground Level Elevation N/A 3592'GL 17 Contractor 18 Spud Date 14 Multiple 15 Proposed Depth 16 Formation N/A N/A Penn N/A Depth to Ground water Distance from nearest fresh water well Distance to nearest surface water **Proposed Casing and Cement Program** Hole Size Casing Size Casing Weight/ft Setting Depth Sacks of Cement Estimated TOC Type REFER TO ORIGINAL COMPLETION **Casing/Cement Program: Additional Comments** Yates Petroleum Corporation plans to plugback and recomplete this well as follows MIRU any safety equipment as needed NU BOP. Run a GR/JB down to 7700' then set a 7" CIBP at 7684' and cap it with 35' Class "H" cement. Perforate Wolfcamp 7080'-7100' (41) Set packer at +/-6800' and break the perforations with 2500g 20% HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Over flush to the perforations by 200 bbls 2% KCL water with a surfactant. Swab test and evaluate and consider turning well over to production or pumping a 20,000g acid frac. Allow well to flow back if necessary POOH with packer and TIH with TAC, SN and tubing RIH with pump and rods and hang the well off Turn well over to production Wellbore schematics and picture of BOP attached \* **Proposed Blowout Prevention Program** Working Pressure Manufacturer Type Test Pressure Hydraulic 3K 15K Depends on rental company used I hereby certify that the information given above is true and complete to the best OIL CONSERVATION DIVISION I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative Approved By OCD-approved plan . YPC uses steel tanks only. Signature Printed name. Tina Huerta Tıtle Title Regulatory Compliance Supervisor Approved Date Expiration Date E-mail Address: tinah@yatespetroleum com

Conditions of Approval Attached

Phone 575-748-4168

Date February 29, 2012

District I 1625 N French Dr , Hobbs, NM 88240 Phone (575) 393-6161 Fax (575) 393-0720 District III 811 S First St , Artesia, NM 88210 Phone (575) 748-1283 Fax (575) 748-9720 <u>District III</u> 1000 Rto Brazos Road, Aztec, NM 87410 Phone (505) 334-6178 Fax (505) 334-6170 <u>District IV</u> 1220 S St Francis Dr , Santa Fe, NM 87505 Phone (505) 476-3460 Fax (505) 476-3462

Property Code

<sup>1</sup> API Number

30-015-26671

## 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 August 1, 2011 Submit one copy to appropriate District Office

<sup>3</sup> Pool Name

Canyon; Wolfcamp

☐ AMENDED REPORT

Well Number

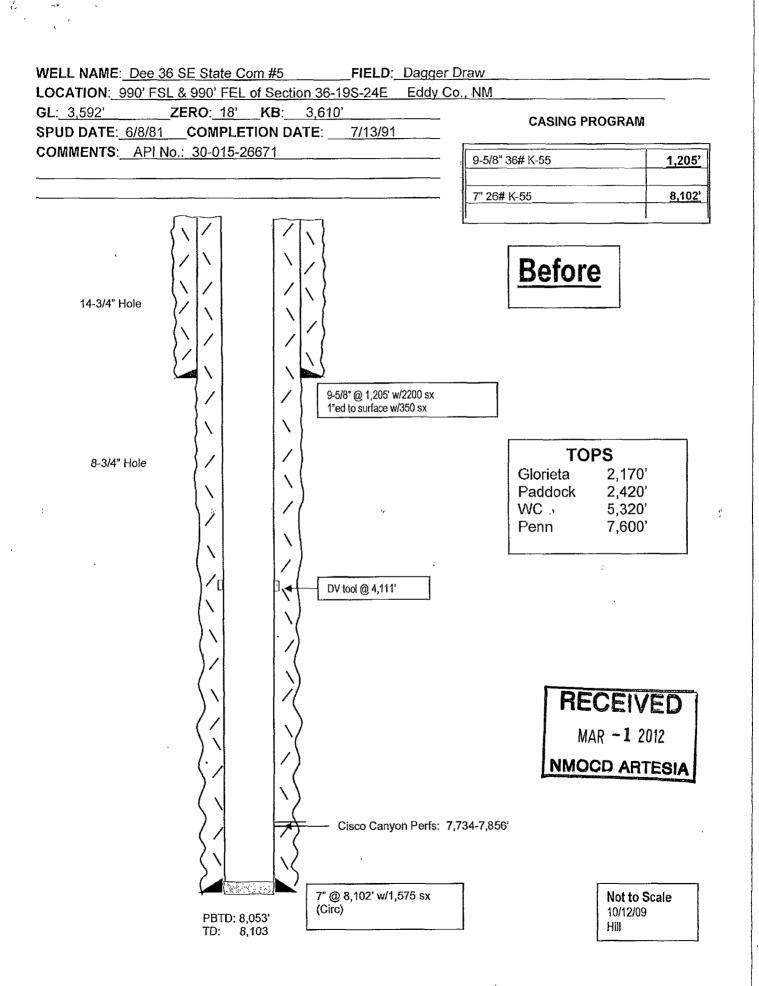
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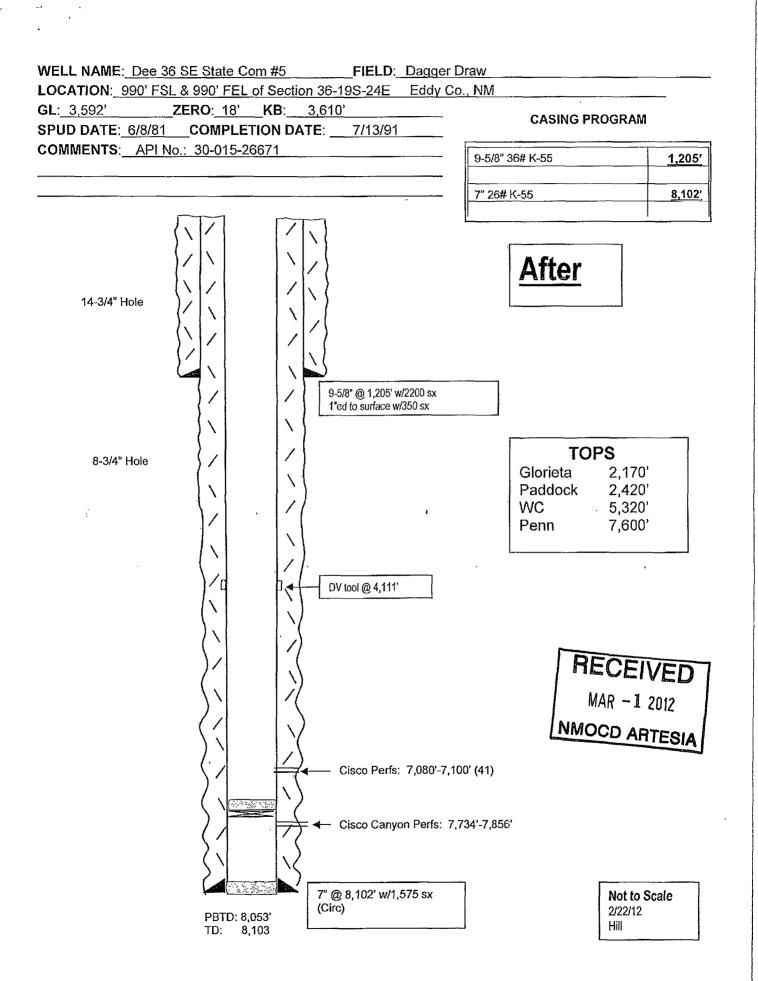
<sup>5</sup> Property Name

<sup>2</sup> Pool Code

08450

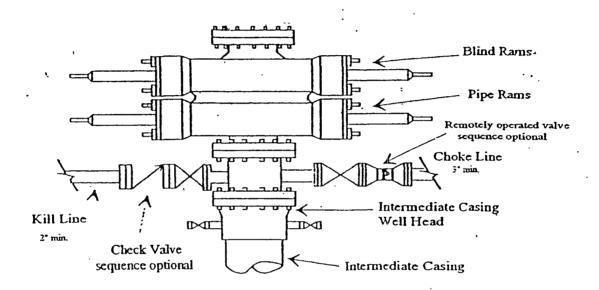
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## Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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

