

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

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. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-22799
⁴ Property Code 012408	⁵ Property Name Jackson AT	⁶ Well No. 9
⁹ Proposed Pool 1 Eagle Creek San Andres		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. M	Section 13	Township 17S	Range 25E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line West	County Eddy
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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
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3465'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Chester	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater >100'		Distance from nearest fresh water well <1000'		Distance from nearest surface water >200'<1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
		IN PLACE			

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 plans to recompleate this well as follows: Pressure test the 2-7/8" x 5-1/2" annulus to 1000 psi. Pump 60 barrels of 2% KCl water and break circulation out of the 5.5" x 13.375" annulus. Pump 550 sx Class "H" cement with additives. When we get cement circulation to surface, stop pumping and close the valves on the bradenhead that will seal off the 5-1/2" x 13-3/8" annulus. Continue pumping until all the cement is put away or we reach a squeeze pressure of 2900 psi. Sting out of retainer and reverse circulate clean. WOC 36 hrs. Run a bond log if cement did not circulate. TIH to drill out the cement to 2090' and pressure test the casing to 1000 psi. If the casing will not pressure test TIH with a packer and RBP to isolate and repair leaks. Perforate San Andres 1306'-1312' (7), 1326'-1332' (7), 1354'-1420' (67), 1434'-1450' (17) and 1454'-1458' (5). Stimulate as needed.

Yates Petroleum Corporation H2S Contingency Plan attached

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: *Tina Huerta*

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tinah@ypcnm.com

Date: February 28, 2006

Phone: 505-748-4168

OIL CONSERVATION DIVISION

Approved by:

Jim W. Green
District II Supervisor

Title:

Approval Date: **MAR 08 2006**

Expiration Date: **MAR 08 2007**

Conditions of Approval Attached ☐

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-22799	² Pool Code 20420	³ Pool Name Eagle Creek San Andres
⁴ Property Code 012408	⁵ Property Name Jackson AT	⁶ Well Number 9
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3465'GR

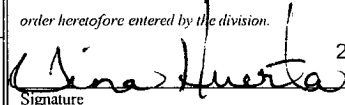
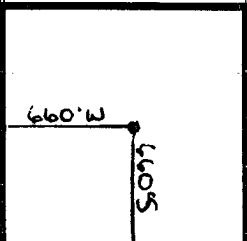
¹⁰ Surface Location

UL or lot no. M	Section 13	Township 17S	Range 25E	Lot Idn	Feet from the 660	North/South line South	Feet from the 660	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

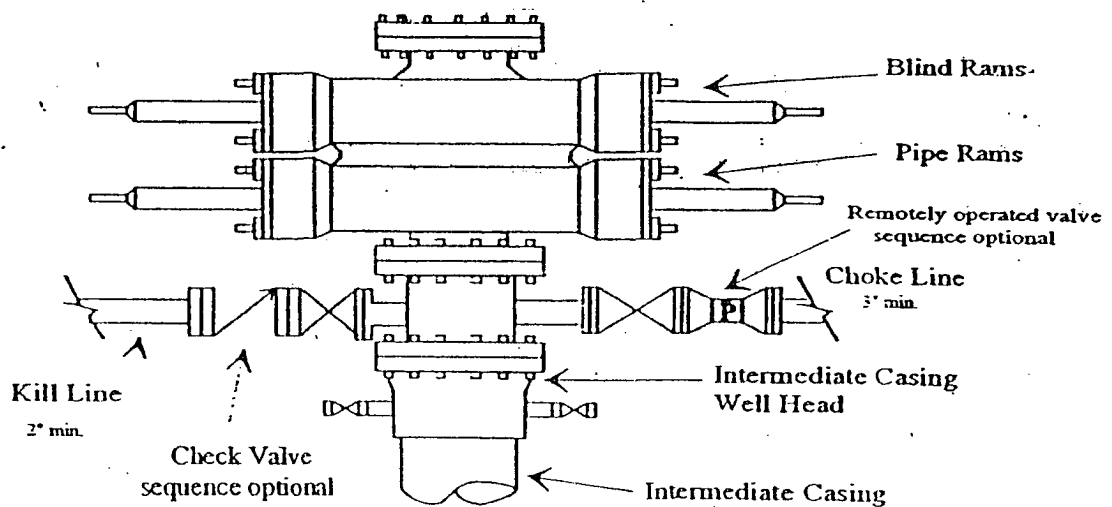
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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.

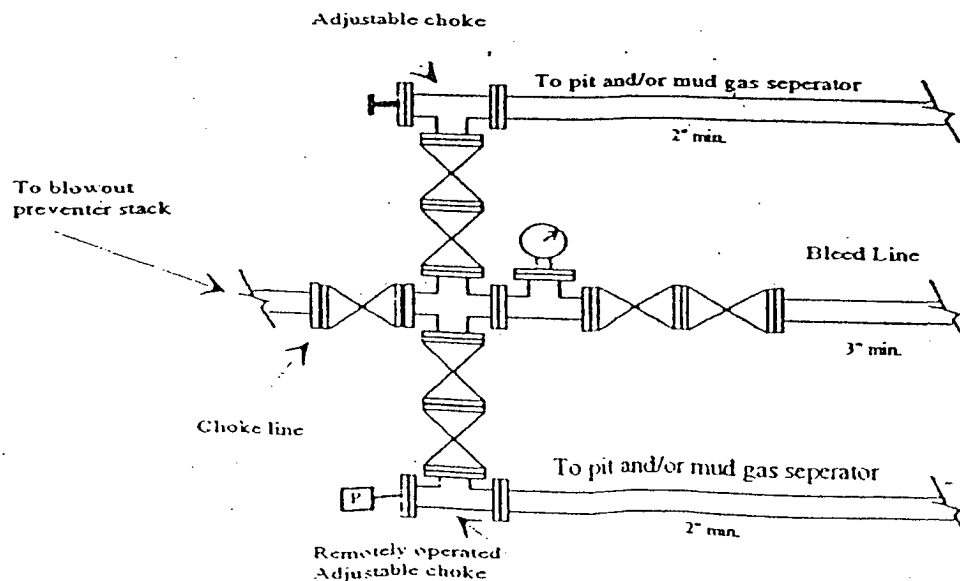
¹⁶					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature 2/28/06 Date Tina Huerta Printed Name
					¹⁸ SURVEYOR CERTIFICATION <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> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number
					

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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





Hydrogen Sulfide (H₂S) Contingency Plan

For

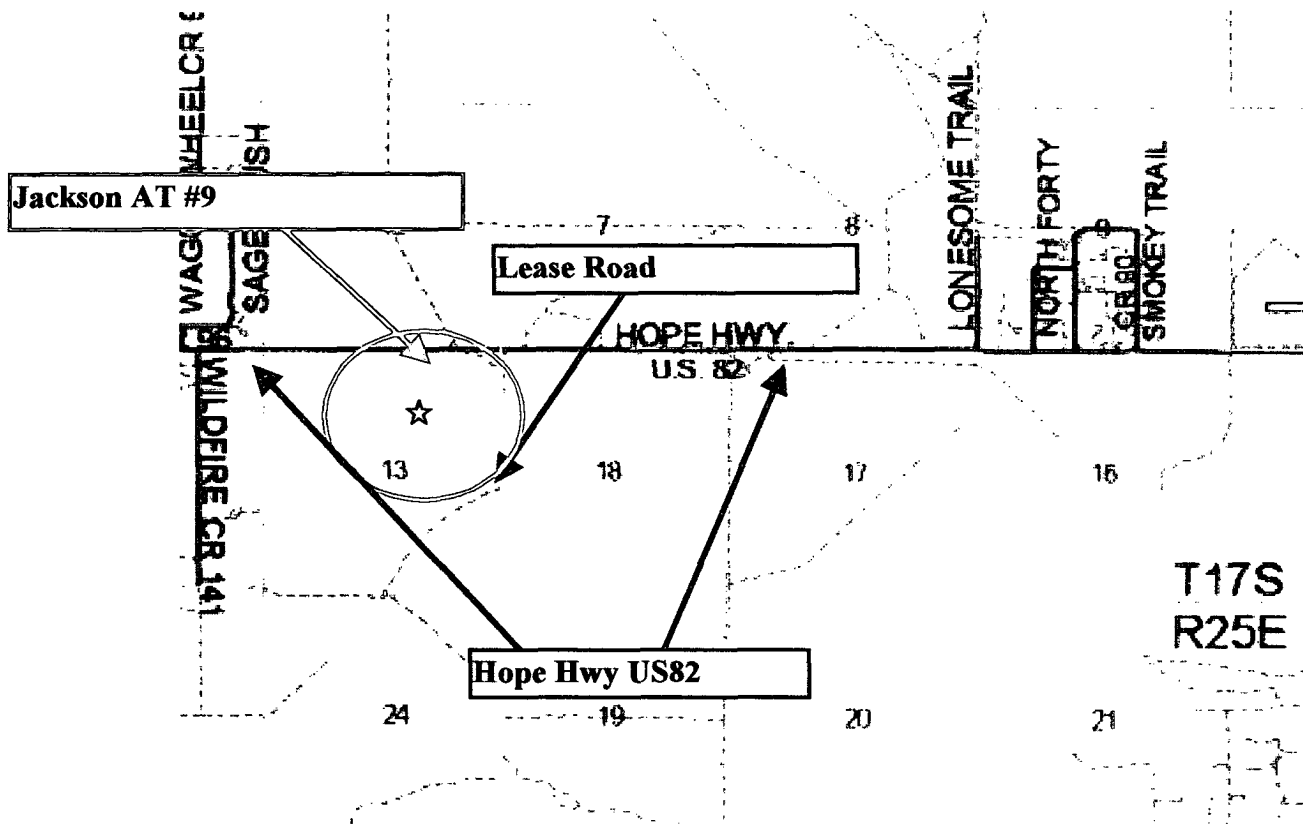
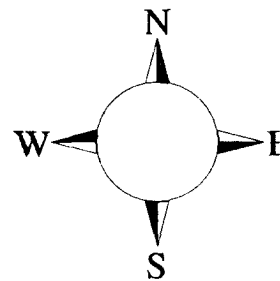
Jackson AT #9

660' FSL & 660' FWL
Sec-13, T-17S R-25E

Eddy County NM

Jackson AT #9

This is an open drilling site. H₂S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H₂S, including warning signs, wind indicators and H₂S monitor.



Assumed 100 ppm ROE = 3000' (Radius of Exposure)
100 ppm H₂S concentration shall trigger activation of this plan.

Escape

Crews shall escape upwind of escaping gas in the event of an emergency release of gas. Escape can be facilitated from lease road East on the lease road. Drivers on the lease road must be flagged and stopped so as to prevent entering into a hazardous area. There are no homes in or near the assumed ROE. Crews should then block off the road and not allow entry into hazardous gas areas.

Emergency Procedures

In the case of a release of gas containing H₂S, the first responder(s) must isolate the area and prevent entry by other persons into the 100 ppm ROE. Additionally the first responder(s) must evacuate any public places encompassed by the 100 ppm ROE. First responder(s) must take care not to injure themselves during this operation. Company and/or local officials must be contacted to aid in this operation. Evacuation of the public should be beyond the 100 ppm ROE.

All responders must have training in the detection of H₂S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H₂S monitors and air packs in order to control the release. Use the "buddy system" to ensure no injuries during the response.

Ignition of Gas Source

Should control of the well be considered lost and ignition considered, take care to protect against exposure to Sulfur Dioxide (SO₂). Intentional ignition must be coordinated with the NMOCD and local officials. Additionally the NM State Police may become involved. NM State Police shall be the Incident Command on scene of any major release. Take care to protect downwind whenever there is an ignition of the gas

Characteristics of H₂S and SO₂

Common Name	Chemical Formula	Specific Gravity	Threshold Limit	Hazardous Limit	Lethal Concentration
Hydrogen Sulfide	H ₂ S	1.189 Air = 1	10 ppm	100 ppm/hr	600 ppm
Sulfur Dioxide	SO ₂	2.21 Air = 1	2 ppm	N/A	1000 ppm

Contacting Authorities

Yates Petroleum Corp. personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the OCD must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release Yates Petroleum Corp. Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

Yates Petroleum Corp. Company Call List

<u>Artesia (505)</u>	<u>Cellular</u>	<u>Office</u>	<u>Home</u>
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Foreman – Danny Matthews (505) 365-4752	(505) 748-4226	(505) 748-2339	
After hours office – Answering Service	(505) 746-4302		

Agency Call List

Eddy **Artesia**

<u>County</u>	State Police	746-2703
<u>(505)</u>	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

Emergency Services

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

<i>Give</i>	Flight For Life - Lubbock, TX	(806) 743-9911
<i>GPS</i>	Aerocare - Lubbock, TX	(806) 747-8923
<i>position:</i>	Med Flight Air Amb - Albuquerque, NM	(505) 842-4433
	Lifeguard Air Med Svc. Albuquerque, NM	(505) 272-3115

Prepared in conjunction with
Wade Rohloff of;

