

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

**NOTIFY OCD OF SPUD &
TIME TO WITNESS
CEMENTING OF SURFACE &
INTERMEDIATE CASING**

Form C-101

March 4, 2004

Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		RECEIVED MAY 11 2006	² OGRID Number 025575 API Number 30-015-32822
³ Property Code	⁵ Property Name Greasewood BD		⁶ Well No. 11

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
C	6	19S	25E		840'	North	1350'	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

⁹ Proposed Pool 1

Wildcat Chester

¹⁰ Proposed Pool 2**Drilling Pit Location and Other Information**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
C	6	19S	25E		840'	North	1350'	West	Eddy
Depth to ground water 275'					Distance from nearest fresh water well 1 mile west, less than one mile NE		Distance from nearest surface water 200'		
¹¹ Work Type Code N		¹² Well Type Code G		¹³ Cable/Rotary R		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 3647'	
¹⁶ Multiple No		¹⁷ Proposed Depth 9000'		¹⁸ Formation Chester		¹⁹ Contractor Not Determined		²⁰ Spud Date ASAP	

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48#	400	450	0
12.25	8.625	24#	1200	600	0
7.875	5.5	17#	9000	1600	700

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 Chester and intermediate formations. Approximately 400' 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. Sources at Yates Petroleum Corporation have relayed information to me that there will not be enough H₂S found from the surface to the Chester formation to meet the OCD's minimum requirements for the submission of a contingency plan per rule 118. MUD PROGRAM: 0-400' FW/Native Mud; 400'-1200' Fresh Water; 1200'-8200' Cut Brine; 8200'-9000' Salt Gel/Starch.KCL. BOPE PROGRAM: A 3000# BPOE will be installed on the 8.625" casing and tested daily.

Thank you,

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 NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

Signature:

Printed name: Cy Cowan

Title: Regulatory Agent / Land Department

E-mail Address: cy@ypcnm.com

Date: May 9, 2006

Phone: (505) 748-4372

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARANT
DISTRICT II GEOLOGIST

Title:

Approval Date: MAY 12 2006

Expiration Date: MAY 12 2007

Conditions of Approval:

Attached ☐

District I
1625 N. French Dr. Hobbs, NM 88240

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

State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, N M 87505

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name GREASEWOOD BD STATE COM	Well Number 11
OGRID No.	Operation Name YATES PETROLEUM CORPORATION	Elevation 3647

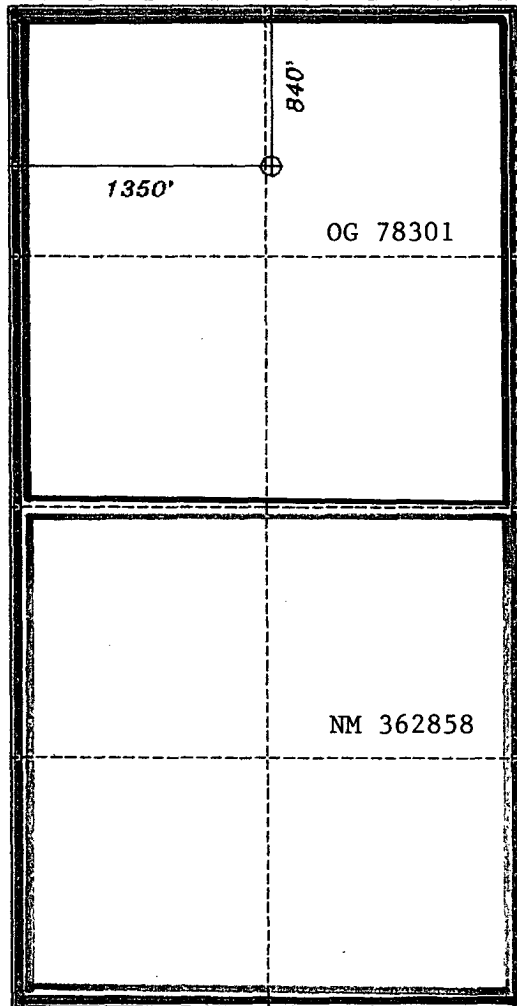
Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	6	19-S	25-E		840	NORTH	1350	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 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Signature Printed Name Cy Cowan Title Regulatory Agent Date 3/20/2006
	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 KNOWLEDGE AND BELIEF. MAY 14, 2003 Date of Survey Signature and Seal of Professional Surveyor 