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

FEB 2 1 2007 Sub mit to appropriate District Office OCD - ARTESIA, NIM

☐ AMENDED REPORT

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Property Code Witz VN State Proposed Pool 1 Undesignated Foor Ranch Pre Permian 76730 UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County N 26 9S 26E 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 North/South Fourth Street North/South South Sout								
105 South Fourth Street Artesia, New Mexico 88210 Property Code Artesia, New Mexico 88210 Property Code Witz VN State Proposed Pool 1 Undesignated Foor Ranch Pre Permian 76730 UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the South 1980' West Chaves Proposed Bottom Hole Location If Different From Surface								
Artesia, New Mexico 88210 Property Code Property Code Proposed Pool 1 Undesignated Foor Ranch Pre Permian 76730 Surface Location UL or lot no. Section No. 26 9S 26E Proposed Bottom Hole Location If Different From Surface Surface Location Section South 1980' Proposed Pool 2 South Feet from the East/West line County West Chaves								
Proposed Pool 1 Undesignated Foor Ranch Pre Permian 76730 Surface Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County N 26 9S 26E 660' South 1980' West Chaves 8 Proposed Bottom Hole Location If Different From Surface								
9 Proposed Pool 1 Undesignated Foor Ranch Pre Permian 76730 7 Surface Location UL or lot no. Section No. 26 9S 26E Location Feet from the North/South line South 1980' West Chaves 8 Proposed Bottom Hole Location If Different From Surface								
The second section Section Section Township Range Lot Idn Feet from the North/South line Feet from the South 1980' West Chaves 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 South 1980' West Chaves 8 Proposed Bottom Hole Location If Different From Surface								
N 26 9S 26E 660' South 1980' West Chaves 8 Proposed Bottom Hole Location If Different From Surface								
Additional Well Information								
11 Work Type Code 12 Well Type Code 13 Cable/Rotary 14 Lease Type Code 15 Ground Level Elevation								
N G R S 3806'								
16 Multiple 17 Proposed Depth 18 Formation 19 Contractor 20 Spud Date N 6650' Ordovician Not Determined ASAP								
Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water								
50' or more 1000' or more 200' or more								
Pit: Liner: Synthetic XX 12 mils thick Clay ☐ Pit Volume: bbls Drilling Method: Closed-Loop System ☐ Fresh Water ☐ Brine ☑ Diesel/Oil-based ☐ Gas/Air ☐								
21 Proposed Casing and Cement Program								
Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC								
12 1/4" 8 5/8" 24# 1100" 550 sx Surface								
7 7/8" 5 ½" 15.5# 6650' 550 sx **								
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 Ordovician and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as								
needed for production. MUD PROGRAM: 0-1100' FWGel/Paper/LCM; 1100-4500' Brine; 4500-6650' starch. Salt Gel.								
BOPE PROGRAM: A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.								
Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Ordovician Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule								
118.								
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 Approved by:								
an (attached) alternative OCD-approved plan Signature: BRYAN G. ARRANT								
DISTRICT II GEOLOGIST								
Printed name: Debbie L. Carraii Cr 11tte:								
Title: Regulatory Agent Approval Date B 2 7 2007 Expiration Date B 2 7 2008								
E-mail Address: Date: 2/16/07 Phone: (505) 748-4376 Conditions of Approval Attached								

<u>District i</u> 1625 N. French Dr., Hobbs, NM 88240 **District II** 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico Energy, Minerals & Natural Resources Department DIL CONSERVATION DIVISION - YOU 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

District IV			المناه والمراج	e de la companya della companya della companya de la companya della companya dell	Santa Fe, NN	И 87505 🔪 😽	D-ARIUM			
1220 S. St. Francis	Br., Santa F	Fe, NM 87505		,				☐ AME	NDED REPORT	
		W	ELL LC	CATIO	N AND ACR	EAGE DEDIC	ATION PLAT	Γ		
¹ API Number			² Pool Code	:	³ Pool Name					
				16130	<i>?</i>	Undesi	gnated Foor Ran	ich Pre Permian		
4 Property	Code			•	⁵ Property N	ame		6 V	⁶ Well Number	
-76730 12898						5				
⁷ OGRID No.					,	⁹ Elevation				
02557	5			YATES		3806				
					¹⁰ Surface I	Location		•		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	26	9 S	26E		660	SOUTH	1980	WEST	CHAVES	
	•		¹¹ Bo	ottom Ho	le Location If	Different Fron	n 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 Acre	s ¹³ Joint of	r Infill 14 C	onsolidation	Code 15 Or	der No.		<u> </u>			
320 _{W/}	2									
								·		

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			1	l 17
10				¹⁷ OPERATOR CERTIFICATION
				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.
				Signature Date
				Debbie Caffall
				Printed Name
				Regulatory Agent Title
		***************************************		18SURVEYOR CERTIFICATION
LG-939				I hereby certify that the well location shown on this
TG-323				• "
				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.
				Date of Survey
				Signature and Seal of Professional Surveyor:
1980'				
1900				REFER TO ORIGINAL PLAT
	Ψ, Ι			
	jo			
	0009			Certificate Number
				Contained A MARION

DISTRICT I 1635 M. French Dr., Hobbs, MM 86240 DISTRICT II 811 South First, Artenia, NM 88210 DISTRICT III

State of New Mexico

Energy, Minerale and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
For Lease - 3 Copies

1006 Bio Brazos Ed., Astec, NM 87410 DISTRICT IV 2040 South Pachoco, Santa Fe, NM 87506

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	Pool Name					
		Undesignated Four Ranch	Pre Permian				
Property Code	Prop	Property Name					
	WITZ "VN" S	TATE	5				
OGRID No.	Open	Elevation					
025575	025575 YATES PETROLEUM CORPORATION 3806						
	Surfa	ce Location					

UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/Vest line	County
N	26	95	26E		660	SOUTH	1980	WEST	CHAVES

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 Co	mechidation (ode Or	ier No.		L		
ı	320				1					

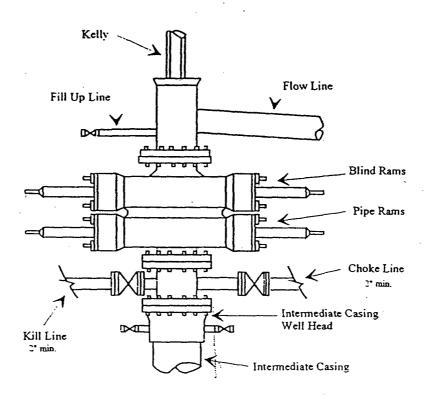
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

-83	\uparrow	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the
660' VN" st. #1	,680,	back of may broundedge could belief.
, 1980'		Signature Pat Derez Printed Name Dermit Agent Title 3-16-2001 Date
LG-	Witz "VN" 51 939	3-16-200 Date SURVEYOR CERTIFICATION
		I hereby certify that the well location shown on this plat uses plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.
		3/12/2001 Date Surveyed Signature & Seal of Professional Surveyor
——————————————————————————————————————	N.33"29'53.7" W.104"16'12.7"	SCHELL. JOHN MEXICONES
	99	SENERAL SURVEYING COMPANY



Yates Petroleum Corporation

Typical 2,000 psi Pressure System
Schematic
Double Ram Preventer Stack



Typical 2,000 psi choke manifold assembly with at least these minimun features

