

District I  
1625 N. French Dr., Hobb  
District II  
1301 W. Grand Avenue, A  
District III  
1000 Rio Brazos Road, Azi  
District IV  
1220 S. St. Francis Dr., San

**CEMENT TO COVER ALL OIL,  
GAS AND WATER BEARING  
ZONES**

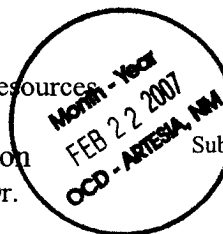
New Mexico  
and Natural Resources

vation Division  
St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT



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

|                                                                                                                               |                                             |                                         |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------|
| <sup>1</sup> Operator Name and Address<br>YATES PETROLEUM CORPORATION<br>105 South Fourth Street<br>Artesia, New Mexico 88210 |                                             | <sup>2</sup> OGRID Number<br>25575      |
|                                                                                                                               |                                             | <sup>3</sup> API Number<br>30-015-35442 |
| <sup>4</sup> Property Code<br>12625                                                                                           | <sup>5</sup> Property Name<br>PARISH IV COM | <sup>6</sup> Well No.<br>006            |
| <sup>9</sup> Proposed Pool 1<br>HOAG TANK; MORROW 78560                                                                       |                                             | <sup>10</sup> Proposed Pool 2           |

**<sup>7</sup> Surface Location**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 26      | 19S      | 24E   |         | 1880          | NORTH            | 800           | EAST           | Eddy   |

**<sup>8</sup> 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**

|                                                                                                                                                                                            |                                      |                                                |                                            |                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------|--------------------------------------------|-----------------------------------------------|
| <sup>11</sup> Work Type Code<br>N                                                                                                                                                          | <sup>12</sup> Well Type Code<br>GAS  | <sup>13</sup> Cable/Rotary<br>R                | <sup>14</sup> Lease Type Code<br>P         | <sup>15</sup> Ground Level Elevation<br>3624' |
| <sup>16</sup> Multiple<br>N                                                                                                                                                                | <sup>17</sup> Proposed Depth<br>9300 | <sup>18</sup> Formation<br>MORROW              | <sup>19</sup> Contractor<br>NOT DETERMINED | <sup>20</sup> Spud Date<br>ASAP               |
| Depth to Groundwater 283'                                                                                                                                                                  |                                      | Distance from nearest fresh water well 2 miles |                                            | Distance from nearest surface water 4000'     |
| <b>Pit:</b> Liner: Synthetic <input 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"/> |                                      |                                                |                                            |                                               |

**<sup>21</sup> Proposed Casing and Cement Program**

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14 3/4"   | 9 5/8"      | 36#                | 1150'         | 1000 sx         | Surface       |
| 8 3/4"    | 7"          | 23# & 26#          | TD            | 1250 sx         | As warranted  |

<sup>22</sup> 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 Morrow and intermediate formations. Approximately 1150' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-1150' FW Gel/LCM; 1150'-5200 FW'; 5200-7300' Cut Brine; 7300'-TD Cut Brine/Starch/KCL.

BOPE PROGRAM: 3000# BOP will be installed on the 9 5/8" casing and tested daily for operational.

Contingency plan per Rule 118 attached.

<sup>23</sup> 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: \_\_\_\_\_

Printed name: Cy Cowan

Title: Regulatory Agent

E-mail Address: cy@ypcnm.com

Date: February 21, 2007

Phone: 748-4372

**OIL CONSERVATION DIVISION**

Approved by:

**BRYAN G. ARANT**

Title:

**DISTRICT II GEOLOGIST**

Approval Date: **FEB 26 2007**

Expiration Date: **FEB 26 2008**

Conditions o

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

PREVIOUSLY APPROVED

**District I**  
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  
**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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**

|                                  |                                                           |                                                                 |
|----------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------|
| <sup>1</sup> API Number          | <sup>2</sup> Pool Code                                    | <sup>3</sup> Pool Name<br>Hog Tank;<br>Morrow                   |
| <sup>4</sup> Property Code       | <sup>5</sup> Property Name<br>PARISH IV COM.              |                                                                 |
| <sup>7</sup> OGRID No.<br>025575 | <sup>8</sup> Operator Name<br>YATES PETROLEUM CORPORATION | <sup>6</sup> Well Number<br>6<br><sup>9</sup> Elevation<br>3624 |

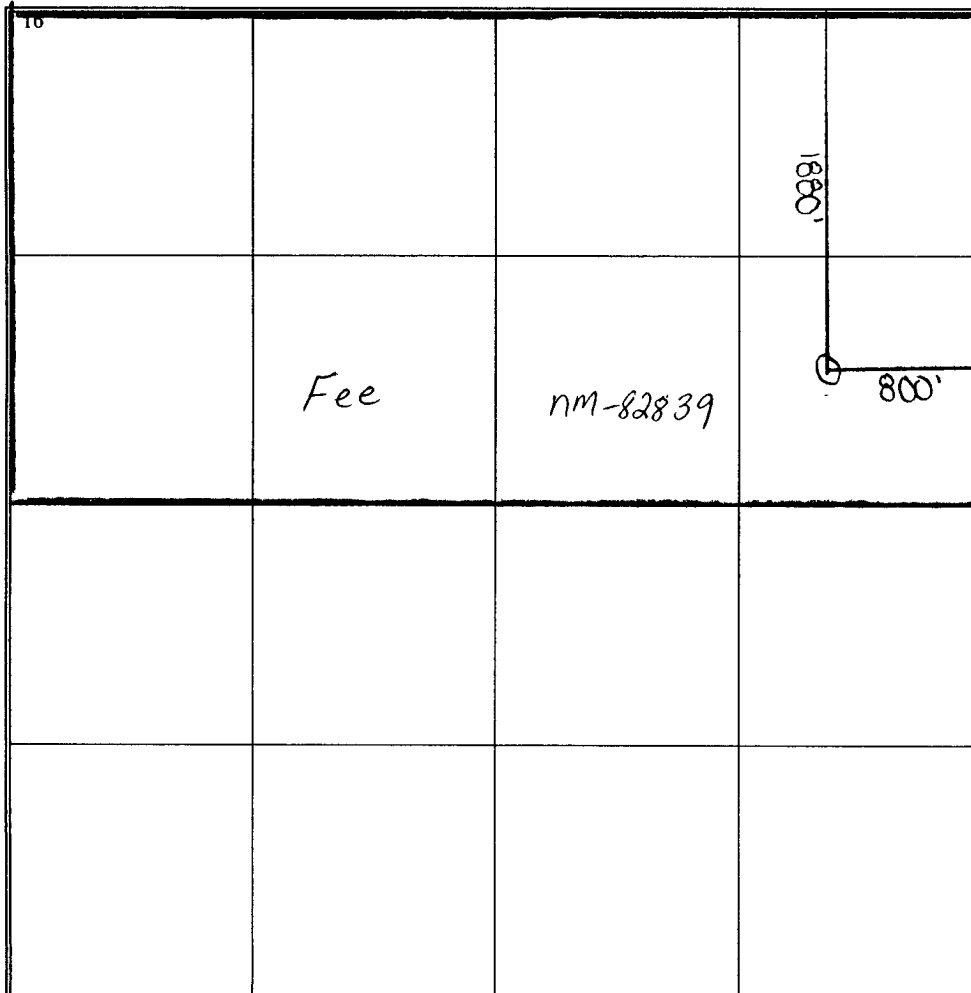
**<sup>10</sup> Surface Location**

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 26      | 19-S     | 24-E  |         | 1880          | NORTH            | 800           | EAST           | EDDY   |

**<sup>11</sup> 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 |
|------------------------------------------|-------------------------------|----------------------------------|-------|-------------------------|---------------|------------------|---------------|----------------|--------|
|                                          |                               |                                  |       |                         |               |                  |               |                |        |
| <sup>12</sup> Dedicated Acres<br>320 N/2 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code |       | <sup>15</sup> 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.

|                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><div>16</div><div></div></div> | <b><sup>17</sup> OPERATOR CERTIFICATION</b><br><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><br>February 21, 2007<br>Signature _____ Date _____<br>Cy Cowan<br>Printed Name _____<br>Regulatory Agent<br>Title _____ |
|                                                                                                                        | <b><sup>18</sup> SURVEYOR CERTIFICATION</b><br><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><br>Date of Survey _____<br>Signature and Seal of Professional Surveyor: _____<br>REFER TO ORIGINAL PLAT<br>Certificate Number _____                                                                                                                                                                                                                                                                               |
|                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

District I  
PO Box 1988, Hobbs, NM 87411-1988  
District II  
PO Drawer DD, Artesia, NM 87211-0789  
District III  
1000 Rio Brango Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
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<br>MORROW |
| Property Code       | Property Name<br>PARISH IV COM               | Well Number<br>6    |
| OGARD No.<br>025575 | Operator Name<br>YATES PETROLEUM CORPORATION | Elevation<br>3624.  |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 26      | 19-S     | 24-E  |         | 1880          | NORTH            | 800           | EAST           | EDDY   |

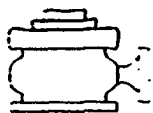
<sup>11</sup> Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|                                      |                               |                                  |                         |
|--------------------------------------|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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

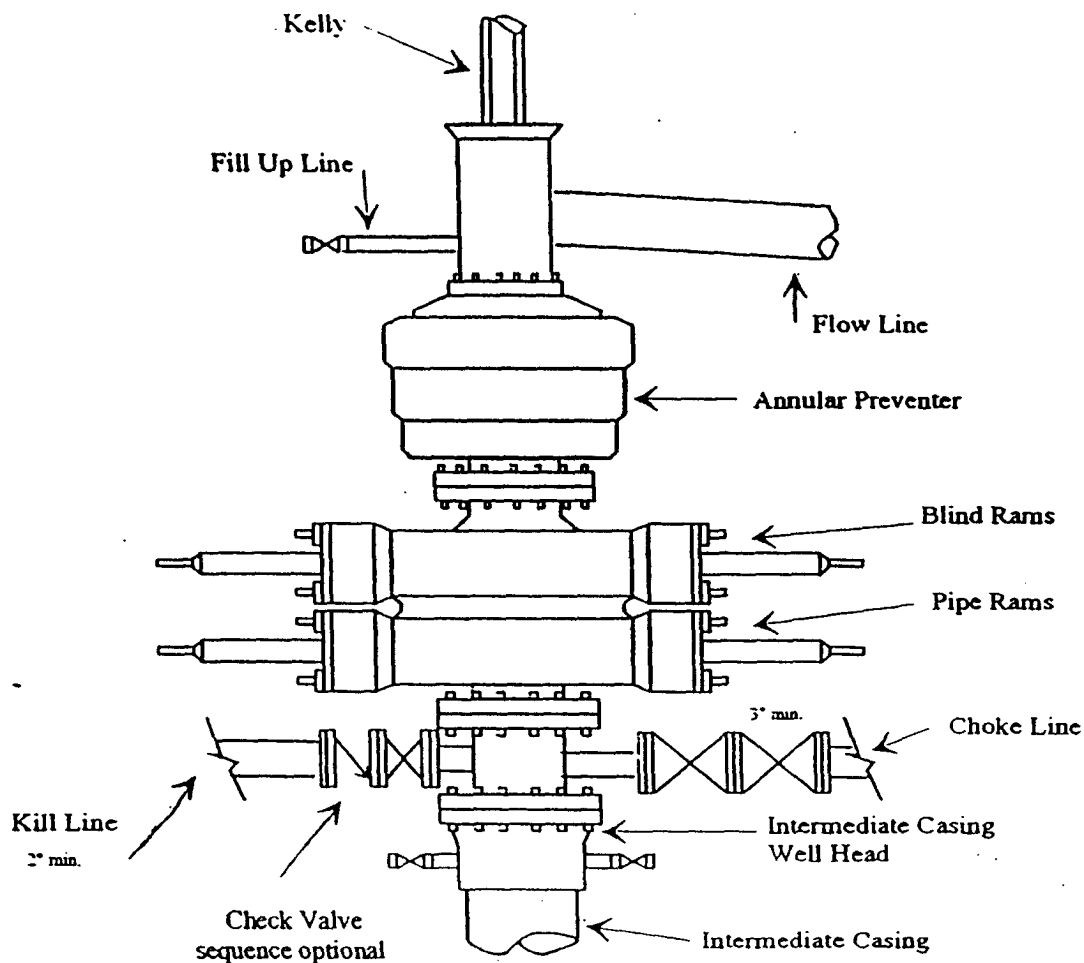
|  |                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <u>Ken Beardemohl</u></p> <p>Printed Name <u>Ken Beardemohl</u></p> <p>Title <u>Landman</u></p> <p>Date <u>January 19, 1998</u></p>                                                                                                          |
|  | <p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JANUARY 18, 1997</p> <p>Date of Survey <u>18, 1997</u></p> <p>Signature and Seal of Professional Surveyor:</p> <p></p> <p>Certificate Number <u>5412</u></p> |
|  |                                                                                                                                                                                                                                                                                                                                                                                                                                  |



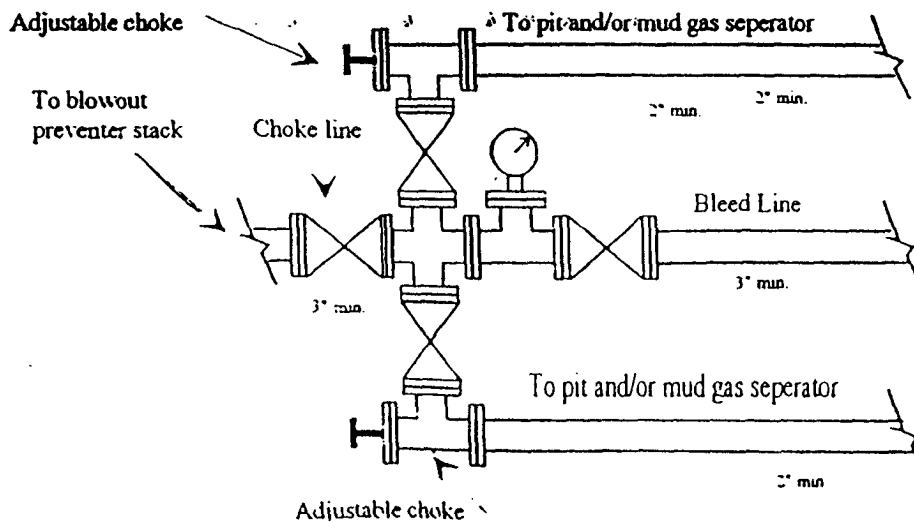
# Yates Petroleum Corporation

BOP-3

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



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



# **Yates Petroleum Corporation**

**105 S. Fourth Street  
Artesia, NM 88210**

## **Hydrogen Sulfide (H<sub>2</sub>S) Contingency Plan**

**For**

**Parish IV Com. #6**

**1880' FNL, 800' FEL  
Sec-26, T-19S, R-24E  
Eddy County NM**

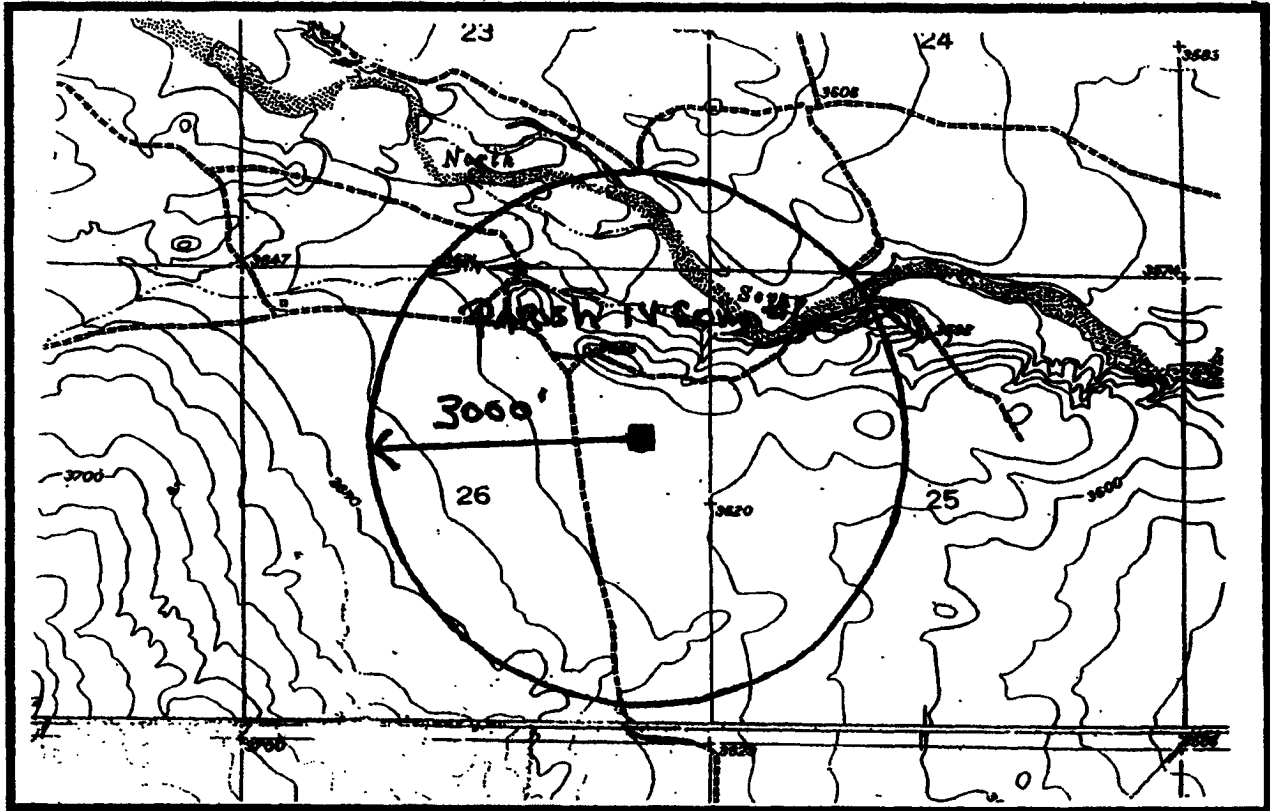
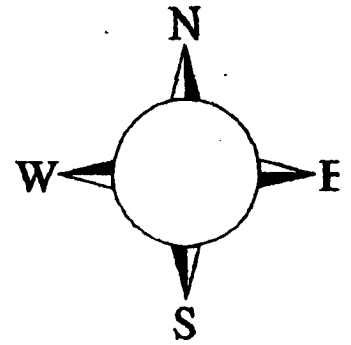
**RECEIVED**

**FEB 11 2005**

**OGD-ARTESIA**

### Parish IV Com. #6 Location

This is an open drilling site. H<sub>2</sub>S monitoring equipment and emergency response equipment will be used within 500' of zones known to contain H<sub>2</sub>S, including warning signs, wind indicators and H<sub>2</sub>S monitor.



## **Emergency Procedures**

In the case of a release of gas containing H<sub>2</sub>S, 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 H<sub>2</sub>S, measures for protection against the gas, equipment used for protection and emergency response. Additionally, responders must be equipped with H<sub>2</sub>S 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 (SO<sub>2</sub>). 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 H<sub>2</sub>S and SO<sub>2</sub>**

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

## **Contacting Authorities**

YPC 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. YPC Company response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER)

## **Yates Petroleum Corporation Phone Numbers**

YPC Office ..... (505) 748-1471  
Pinson McWhorter/Operations Manager ..... (505) 748-4189  
Darrel Atkins/Production Manager ..... (505) 748-4204  
Ron Beasley/Prod Superintendent ..... (505) 748-4210  
Al Springer/Drilling ..... (505) 748-4225  
Paul Hanes/Prod. Foreman/Roswell ..... (505) 624-2805  
Jim Krogman/Drilling Superintendent ..... (505) 748-4215  
Artesia Answering Service ..... (505) 748-4302  
(During non-office hours)

### **Agency Call List**

#### **Eddy County (505)**

##### **Artesia**

State Police..... 746-2703  
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

##### **Other**

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

Flight For Life -4000 24th St, Lubbock, TX .....(806) 743-9911  
Aerocare -Rr 3 Box 49f, Lubbock, TX .....(806) 747-8923  
Med Flight Air Amb 2301 Yale Blvd SE #D3, Albuq, NM .....(505) 842-4433  
S B Air Med Svc 2505 Clark Carr Loop SE, Albuq, NM .....(505) 842-4949