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

1220 S St Francis Dr, Santa Fe, NM 87505

District IV

State of New Mexico Energy Minerals and Natural Resources

Form C-101 May 27, 2004

Oil Conservation Division 1220 South St. Francis Dr.

Submit to appropriate District Office

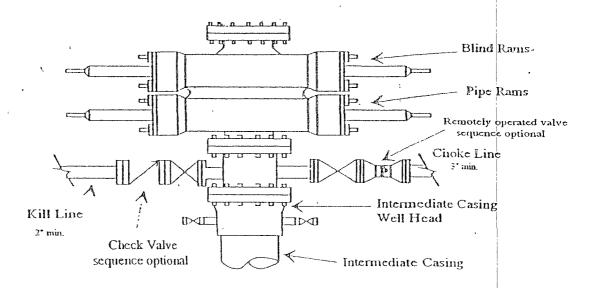
Santa Fe, NM 87505

FEB 0 6 2008 AMENDED REPORT

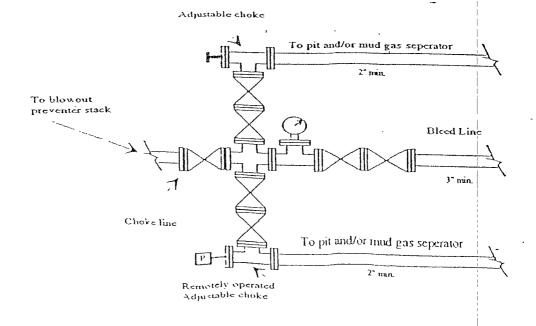
APPI	LICATI	ON F	OR	PERMIT	TO D	RILL, F	E-KNE	ER, D	EEPEN	I, PLUGBA			DD A ZONE	
				Operator Name			U	OGRID No. 025:) Numb)25575	<u> </u>	
		1 (ates Petroleum 105 S. 4 th Artesia, NN	Street	.1011		³ API Number 30-015-284							
³ Property Code ⁵ Property													ell No	
16842 ND							NDDUP	DUP 2					2	
⁹ Proposed Pool I									¹⁰ Pro	posed Pool 2	2			
N. Seven Rivers, Glorieta Yeso							ace Loca	tion					<u> </u> 	
UL or lot no.	no. Section Township Range		Range	Lot Idn Feet from t			1 1		Feet from the	East/We	est line	County		
В	16	1 ' 1 "					660					st	Eddy	
⁸ Proposed Bottom Hole Loca								ation If Different From Surface						
UL or lot no	Section	Towns	hip	Range	Lot Idn		eet from the	the North/South line		Feet from the	East/We	st line	County	
		<u> </u>	l_		Ad	lditional	Well Inf	<u> </u> Ormati	on		1			
11 Work	Type Code			12 Well Type Co			Cable/Rotary		14 Lease Type Code			15 Ground Level Elevation		
16.	P			0		N/A			S				3475'GR	
	Iultiple N			¹⁷ Proposed Dep N/A	18 Formation Canyon				19 Contractor N/A		²⁰ Spud Date ASAP			
Depth to Groundwater					Distanc	e from neare	st fresh water	r well		Distance from nearest si			surface water	
Pit: Liner Synthetic ☑ 12 mils thick Clay ☐ Pit Volume:bbls Drilling Method:														
Closed-Loop System										Gas/Aır 🔲				
²¹ Proposed Casing and Cement Program														
Hole Size Casing Size Casing weigh					g weight/foo	t	Setting D	epth	Sacks of C	ement		Estimated TOC		
		ļ -				_								
						IN PLACE								
 Describe the proposed program. If this application is to DEEPEN or PLUG B 								ve the dat	ta on the pr	esent productive	zone and pr	oposed	new productive zone.	
Describe the	Describe the blowout prevention program, if any. Use additional sheets if necessary.													
Yates Petro	oleum Cor	rporatio	on pla	ans to plugba	ck and re	ecomplete	this well a	s follow	rs: Set a ?	7" CIBP at 77()3' with 3 s needed	5' cer	nent on top.	
2266'-227	Perforate Yeso 2508'-2512' (10), 2538'-2544' (14), 2554'-2558' (12266'-2272' (7), 2284'-2288' (5), 2300'-2310' (11), 2330'-2342' (Stimulate as needed. Possibly will remove RBP and produce both z								52'(5) an	d 2378'-2382'	(5). Set a	an RB	P at +/-2482'.	
Stimulate a	is needed.	Possi	bly w	all remove R	BP and p	produce bo	oth zones.					İ		
												ĺ		
100 coment plugs ai: 5656 i 3539.														
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								OIL CONSERVATION DIVISION						
constructed according to NMOCD guidelines \Box , a general permit \Box , or an (attached) alternative OCD-approved plan \Box .							r Appr	Approved by:						
Signature								BRYAN G. ARRANT						
Printed name: Tina Huerta								Title: DISTRICT II GEOLOGIST						
Title: Regulatory Compliance Supervisor								oval Dat	•		Expiration I			
E-mail Address: tınah@ypcnm.com							Туррг	Daile	ER ()	8 2008 L	p.//usiOii I	;	2010	
Date: February 5, 2008 Phone: 575-748-4168					Cond	Conditions of Approval Attached					70.0			
Date. 1 coludity 3, 2006 1 florite. 3/3-/40-4106							Contribute of Approval Attached							

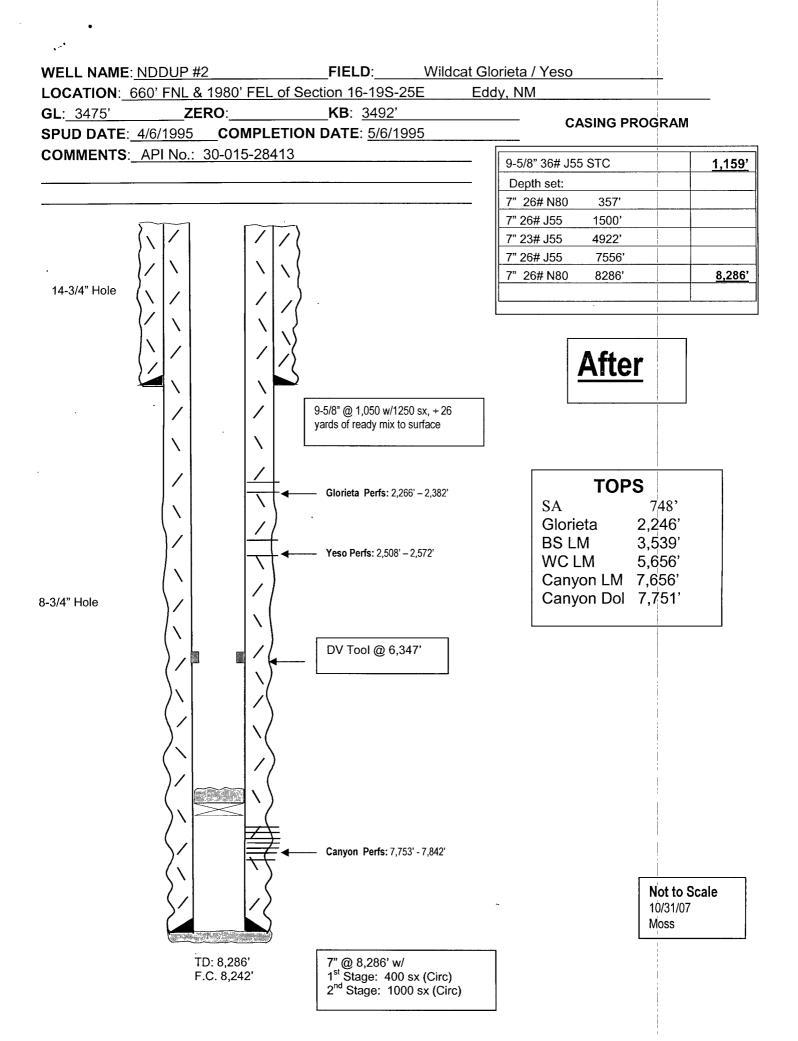
Yates Petroleum Corporation

Typical 3,000 psi Pressure System
Schematic



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





MARTIN YATES, III

FRANK W YATES



105 SOUTH FOURTH STREET

ARTESIA, NEW MEXICO 88210-2118

TELEPHONE (575) 748-1471

S.P. YATES
CHAIRMAN EMERITUS

JOHN A. YATES CHAIRMAN OF THE BOARD

FRANK YATES, JR.

PEYTON YATES

JOHN A. YATES, JR.

February 5, 2008

FEB 06 2008

OCD-ARTESIA

Mr. Bryan Arrant Oil Conservation Division, District II Office 1301 W. Grand Ave. Artesia, NM 88210

Re: NDDUP #2

Section 16-T19S-R25E Eddy County, New Mexico H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S anticipated from the surface to the Glorieta Yeso formation to even meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

Thank you,

YATES PETROLEUM CORPORATION

Tina Huerta

Regulatory Compliance Supervisor

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

12 Dedicated Acres

40

13 Joint or Infill

14 Consolidation Code

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

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

Form C-102

■ AMENDED REPORT

Revised October 12, 2005

WELL LOCATION AND ACREAGE DEDICATION PLAT													
1		² Pool Code			• 3 Pool Name								
30		77565		North Saven Rivers · Glorieta Yeso									
4 Property (⁵ Property Name									⁶ Well Number		
16842		NDDUP										2	
⁷ OGRID	No.	⁸ Operator Name										⁹ Elevation	
02557	5	Yates Petroleum Corporation									3475'GR		
¹⁰ Surface Location													
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the No	orth/South line	F	Feet from the East/We		est line County		
В	16	198	25E		660		North		1980	East		Eddy	
¹¹ Bottom Hole Location If Different From Surface													
UL or lot no.	no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West				st line	County							

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.

15 Order No.

16	N.077	1980.E	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 locution 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
			February 5, 2008 Signature Date Tina Huerta Printed Name
			18SURVEYOR 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 belief. Date of Survey
·	·		Signature and Seal of Professional Surveyor: