

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 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575 ³ API Number 30-005-64028
⁴ Property Code 12227	⁵ Property Name Enron AEY State	⁶ Well No 2
⁹ Proposed Pool 1 Undesignated Foor Ranch, Pre-Premian		¹⁰ Proposed Pool 2

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
P	25	9S	26E		660'	South	660'	East	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	East/West line	County

Additional Well Information

¹¹ Work Type Code New well	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3834'
¹⁶ Multiple N	¹⁷ Proposed Depth 6445'	¹⁸ Formation Basement	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP
Depth to Groundwater 99'		Distance from nearest fresh water well 3700'		Distance from nearest surface water 3900'
Pit Linear Synthetic XX 12 mils thick Clay <input type="checkbox"/> Pit Volume: <u>130</u> bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" 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
12 1/4"	8 5/8"	24	1100'	450	Surface
7 7/8"	5 1/2"	15.5	6445'	500	TOC-4100'

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 Basement and intermediate formations. Approximately 1100' 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.

MUD PROGRAM: 0-1100' FW Gel, Paper, LCM; 1100'-4600' Brine; 4600'-6445' Starch Gel/Salt Gel.

BOPE PROGRAM: a 2000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.

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 Basement formation 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 NMOC guidelines ☐, a general permit ☒, or an (attached) alternative OCD approved plan ☐

Signature Debbie L. Caffall

Printed name: Debbie L. Caffall

Title Regulatory Agent

E-mail Address: debbiec@ypcnm.com

Date 5/20/08

Phone (575) 748-4376

OIL CONSERVATION DIVISION

Approved by

Sam W. Egan
District II Supervisor

Title

Approval Date

6/10/08

Expiration Date:

6/10/10

Conditions of Approval Attached ☐

PREVIOUSLY APPROVED
NOTE: NEW PIT RULE 19.15.17

NMAC.

Drilling pit must be constructed, operated and closed per above new rule.

NOTE: New Pit Rule
NMAC 19-15-17

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1000 Rio Brazos Rd., Aztec, NM 87410

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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

¹ API Number		² Pool Code		³ Pool Name Undesignated Foor Ranch, Pre-Permian	
⁴ Property Code 12227		⁵ Property Name ENRON AEY STATE			⁶ Well Number 2
⁷ OGRID No. 025575		⁸ Operator Name YATES PETROLEUM CORPORATION			⁹ Elevation 3834'

¹⁰ Surface Location

UL or lot no. P	Section 25	Township 9S	Range 26E	Lot Idn	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line EAST	County CHAVES
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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 320 S/2		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.

<div>16</div>				<div>17 OPERATOR CERTIFICATION</div> <p>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.</p> <div>Signature: <i>Debbie L. Caffall</i> Date: 5/18/07</div> <div>Printed Name: Debbie L. Caffall</div> <div>Regulatory Agent Title:</div>	
				<div>18 SURVEYOR CERTIFICATION</div> <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> <div>Date of Survey:</div> <div>Signature and Seal of Professional Surveyor:</div> <div>REFER TO ORIGINAL PLAT</div> <div>Certificate Number:</div>	
<div>LG-9805</div>					
<div>660'</div>				<div>660'</div>	

DISTRICT II
611 North First, Atlanta, GA 30310

DISTRICT III
1022 E. Brown St., Apt. 101 ST. LOUIS

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

STATE OF NEW MEXICO

Energy, Minerals and Natural Resources Department

Revised March 17, 1988
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fed Lease - 3 Copies

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-Premian
Property Code	Property Name ENRON "AEY" STATE		Well Number 2
OGED No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3834

Surface Location

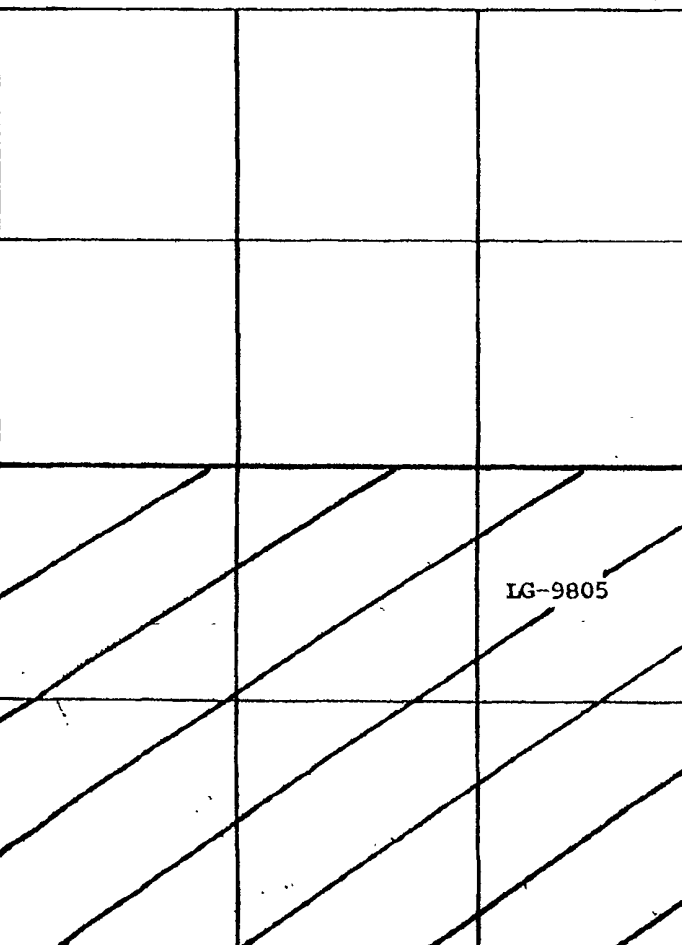

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	25	9S	26E		660	SOUTH	660	EAST	CHAVES

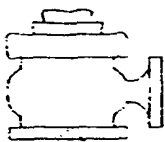
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
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Bedstead Acres	Joint or Tenure	Consolidation Code	Order No.
320 S/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

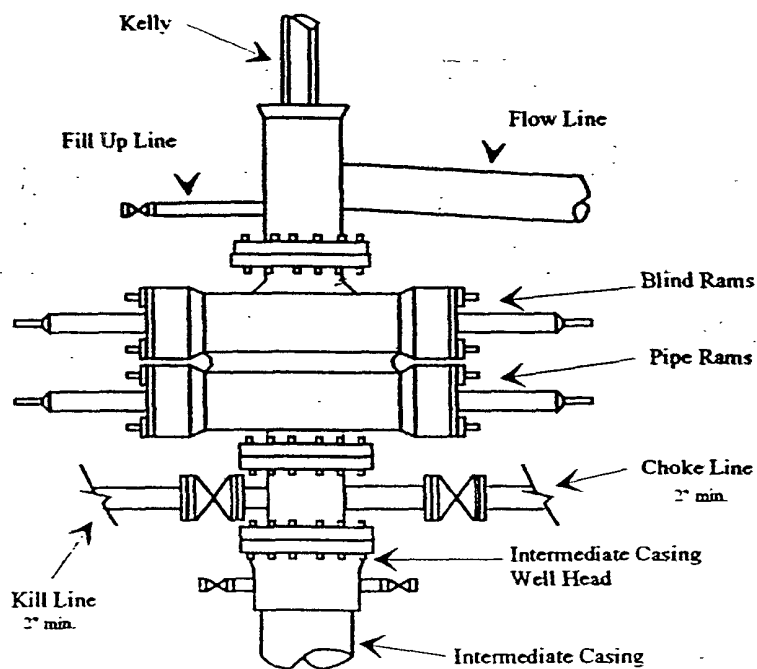
	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <h3 style="text-align: center; margin: 0;">OPERATOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">I hereby certify the the information contained herein to true and complete to the best of my knowledge and belief.</p> <p style="font-size: large; margin: 5px 0;"><i>Pat Perez</i></p> <p style="font-size: small; margin: 5px 0;">Signature</p> <p style="margin: 5px 0;">Pat Perez</p> <p style="font-size: small; margin: 5px 0;">Printed Name</p> <p style="margin: 5px 0;">Regulatory Agent</p> <p style="font-size: small; margin: 5px 0;">Title</p> <p style="margin: 5px 0;">June 18, 2002</p> <p style="font-size: small; margin: 5px 0;">Date</p> </div> <div style="border: 1px solid black; padding: 5px;"> <h3 style="text-align: center; margin: 0;">SURVEYOR CERTIFICATION</h3> <p style="font-size: small; margin: 5px 0;">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 style="text-align: right; margin: 5px 0;">5/28/2002</p> <p style="font-size: small; margin: 5px 0;">Date Surveyed</p> <p style="font-size: small; margin: 5px 0;">Signature of Surveyor</p> <p style="font-size: small; margin: 5px 0;">Professional Seal</p> <div style="text-align: center; margin: 10px 0;">  </div> <p style="font-size: small; margin: 5px 0;">Certification No. 3640 License No. 3640</p> <p style="font-size: small; margin: 5px 0;">GENERAL SURVEYING COMPANY</p> </div>
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Yates Petroleum Corporation

BOP-2

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



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

