

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

JUN 11 2008

☐ AMENDED REPORT

OCD-ARTESIA

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 205575	
³ Property Code 37208		⁴ Property Name Link BKT Federal Com.	
⁵ Proposed Pool 1 Cottonwood Creek		⁶ Well No 1H	
⁷ Surface Location		⁸ Proposed Pool 2	

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	16S	25E		1880'	North	240'	East	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
H	17	16S	25E		1880'	North	660'	East	Eddy

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3550'
¹⁶ Multiple No	¹⁷ Proposed Depth 4865' TVD	¹⁸ Formation Wolfcamp	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP
Depth to Groundwater 60'		Distance from nearest fresh water well 1000'		Distance from nearest surface water 1000'
Pit: Liner: Synthetic ☒ 12" 12' 12" thick Clay ☐ Pit Volume: 24,000 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#	1000'	500 sx	Surface
7 7/8"	5 1/2"	17#	9368' MD	1375 sx	Surface

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 a horizontal well to test the Wolfcamp formation. Approximately 1000' of surface casing will be set and cement circulated to the surface. Production casing will be set at 9368' MD and cement circulated to surface. The vertical portion of the hole will be drilled to a total depth of 4865'. The horizontal lateral will then be drilled to a TVD of 4224' with a measured depth of 9368' where production is needed to gain production.

NOTE: NEW PIT RULE

19-15-17 NMAC PART 17

A form C-144 must be approved

before starting drilling operations.

MUD PROGRAM: 0-1000' FW Gel; 1000'-4224' Cut Brine; 4224'-9368' MD Cut Brine Horizontal Section

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

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 ☐.

Printed name: Cy Cowan

Title: R

E-mail:

Date: 6/10/08

NOTE: New Pit Rule
NMAC 19-15-17

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐



DISTRICT I
1626 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 and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 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

API Number	Pool Code 75250	Pool Name Cottonwood Creek Wolfcamp
Property Code 37208	Property Name LINK "BKT" FEDERAL COM.	Well Number 1H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3550

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	18	16 S	25 E		1880	NORTH	240	EAST	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
H	17	16 S	25 E		1880	NORTH	660	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	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

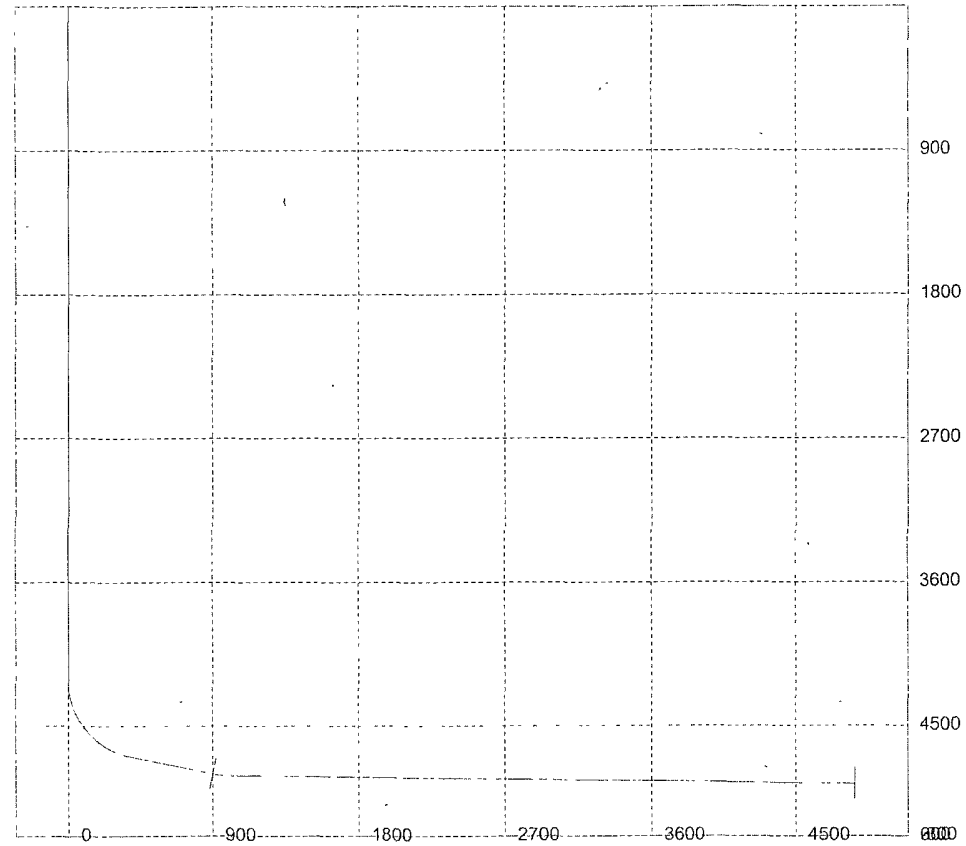
SURFACE LOCATION Lat - N32°55'30.76" Long - W104°31'01.11" SPC- N.: 700376.098 E.: 484989.372 (NAD-83)	BOTTOM HOLE LOCATION Lat - N32°55'30.57" Long - W104°30'03.96" SPC- N.: 700348.516 E.: 489860.857 (NAD-83)	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete 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 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>[Signature]</i> 6/2/08 Signature Date Cy Cowan, Regulatory Printed Name Agent
SECTION 18 SECTION 17 1880 660 3550.7 3547.9 4871.6 3550.6 3548.2 102.66 ● 1880 FNL + 660 FWL Penetration Point		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 belief. FEBRUARY 27, 2008 Date Surveyed Signature of Surveyor Professional Surveyor <i>[Signature]</i> W. L. ANDERSON, Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS

M.D.	Inclination	Azimuth	T.V.D.	N/S	E/W	D.S.	ToolFace	Ref (HS/GN)	
0	0	0	0	0	0	0			
490	0	0	490	0	0	0			SAN ANDRES
1740	0	0	1740	0	0	0			GLORIETA
3040	0	0	3040	0	0	0			TUBB
3740	0	0	3740	0	0	0			ABO
4224	0	0	4224	0	0	12	90	GN	KOP
4225	0.12	90	4225	0	0	12	0	HS	
4250	3.12	90	4249.99	0	0.71	12	0	HS	
4275	6.12	90	4274.9	0	2.72	12	0	HS	
4300	9.12	90	4299.68	0	6.04	12	0	HS	
4325	12.12	90	4324.25	0	10.64	12	0	HS	
4350	15.12	90	4348.54	0	16.53	12	0	HS	
4375	18.12	90	4372.5	0	23.68	12	0	HS	
4400	21.12	90	4396.04	0	32.07	12	0	HS	
4425	24.12	90	4419.12	0	41.69	12	0	HS	
4450	27.12	90	4441.66	0	52.5	12	0	HS	
4475	30.12	90	4463.6	0	64.47	12	0	HS	
4500	33.12	90	4484.88	0	77.57	12	0	HS	
4525	36.12	90	4505.46	0	91.78	12	0	HS	
4550	39.12	90	4525.25	0	107.04	12	0	HS	
4575	42.12	90	4544.23	0	123.31	12	0	HS	
4600	45.12	90	4562.33	0	140.55	12	0	HS	
4625	48.12	90	4579.49	0	158.72	12	0	HS	
4650	51.12	90	4595.69	0	177.76	12	0	HS	
4675	54.12	90	4610.86	0	197.63	12	0	HS	
4700	57.12	90	4624.98	0	218.26	12	0	HS	
4725	60.12	90	4638	0	239.6	12	0	HS	
4750	63.12	90	4649.88	0	261.59	12	0	HS	
4775	66.12	90	4660.59	0	284.18	12	0	HS	
4800	69.12	90	4670.11	0	307.29	12	0	HS	
4825	72.12	90	4678.4	0	330.87	12	0	HS	
4850	75.12	90	4685.45	0	354.85	12	0	HS	
4875	78.12	90	4691.24	0	379.17	12	0	HS	
4875.71	78.2	90	4691.38	0	379.86	12	0	HS	
5407.06	78.2	90	4800	0	900	0	0		WOLFCAMP
5407.06	78.2	90	4800	0	900	12	0	HS	
5425	80.36	90	4803.34	0	917.62	12	0	HS	
5450	83.36	90	4806.88	0	942.37	12	0	HS	
5475	86.36	90	4809.12	0	967.26	12	0	HS	
5498.57	89.19	90	4810.03	0	990.82	12	0	HS	
9368.15	89.19	90	4865	0	4860	0	0		LATERAL TD

Well will be drilled vertically to 4224'. At 4224' the well will be directionally drilled at 12 degrees per 100' with a 7 7/8" hole until horizontal. The lateral will then be drilled to a TVD of 4865' with a MD of 9368' where 5 1/2" casing will be set and cemented

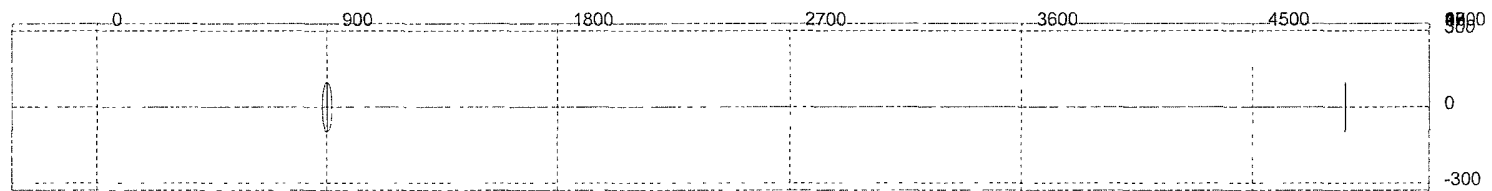
3D³ Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation
Well: Link BKT Federal Com. #1H



3D³ Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation
Well: Link BKT Federal Com. #1H

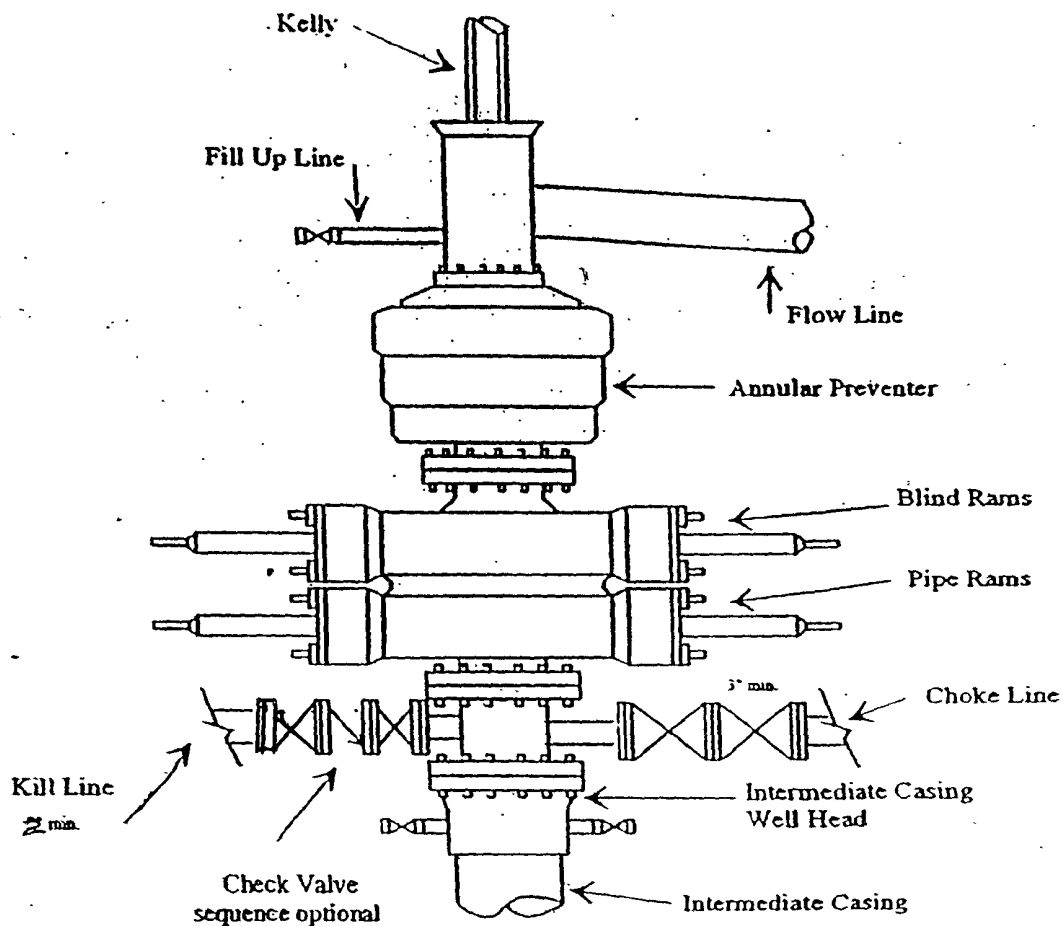




Yates Petroleum Corporation

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

