

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address. <b>Yates Petroleum Corporation</b> 105 S. 4th Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30 - 0
<sup>4</sup> Property Code 24956	<sup>5</sup> Property Name Yates Valley ATM State	<sup>6</sup> Well No. 1

<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
G	36	10S	26E		1650'	North	2310'	East	Chaves

<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
<sup>9</sup> Proposed Pool 1 Wildcat					<sup>10</sup> Proposed Pool 2 Forn Ranch; Wolfcamp, South				

<sup>11</sup> Work Type Code E	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary Pulling Unit	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3716'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 6700'	<sup>18</sup> Formation Wolfcamp	<sup>19</sup> Contractor Not determined	<sup>20</sup> Spud Date ASAP

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

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/2"	8 5/8"	24# J-55	1191'	750 sx	In Place
7 7/8"	5 1/2"	15.5# J-55	2450'	350 sx	In Place
7 7/8"	4"	11# J-55	6500'	500 sx	Circulate

<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 add new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACHED PAGE 2.

Formen: BHP Pet Co  
P&A 2-15-90

Post ID-1  
10-15-99  
Re-entry



<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Ken Beard*

Printed name:

KEN BEARDEMPHL

Title:

LANDMAN

Date:

October 5, 1999

Phone:

505-748-4348

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

Title:

Approval Date:

10-8-99

Expiration Date:

10-8-00

Conditions of Approval:

Attached ☐

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos 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

1 API Number		2 Pool Code		3 Pool Name Wildcat			
4 Property Code		5 Property Name Yates Valley ATM State				6 Well Number 1	
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION				9 Elevation 3716'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	10S	26E		1650'	North	2310'	East	Chaves

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	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature: Printed Name: Ken Beardemphl Title: Landman Date: October 5, 1999
		18 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.  Date of Survey: Signature and Seal of Professional Surveyer:  REFER TO ORIGINAL PLAT  Certificate Number:

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator BHP PETROLEUM COMPANY INC. (AMERICAS)		Lease YATES VALLEY STATE COM.		Well No. 1
Unit Letter G	Section 36	Township 10 SOUTH	Range 26 EAST NMPM	County CHAVES
Actual Footage Location of Well: 2310 feet from the EAST line and 1650 feet from the NORTH line				
Ground level Elev. 3715.9'	Producing Formation Ellenburger	Pool Wildcat	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☒ Yes ☐ No If answer is "yes" type of consolidation Communitization Pending

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

<p>Lessee: Valley Oil &amp; Gas Co. R.I.: State</p> <p>V-1363</p> <p>2310'</p> <p>1650'</p> <p>3712.2</p> <p>3716.1</p> <p>3702.1</p> <p>3710.8</p> <p>LG-6319</p>	<p><b>OPERATOR CERTIFICATION</b></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 <i>Jerry W. Long</i></p> <p>Printed Name JERRY W. LONG</p> <p>Position Agent</p> <p>Company BHP PETROLEUM COMPANY INC.</p> <p>Date March 24, 1989</p>
	<p><b>SURVEYOR CERTIFICATION</b></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 knowledge and belief.</p> <p>Date Surveyed March 23, 1989</p> <p>Signature &amp; Seal of Professional Surveyor <i>[Signature]</i></p> <p>Certificate No. JOHN W. WEST, 578 RONALD J. EASON, 3239 NEW MEXICO</p>

## DRILLING PROGRAM

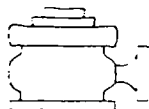
HOC Federal #1

Page 2

Yates Petroleum Corporation proposes to re-enter the captioned well which was drilled by Hanson Operating Company in May of 1989 and was plugged and abandoned in February 1990. A pulling unit will be used to re-enter this well and a reverse unit will be used to drill out all plugs to the 5 1/2" casing shoe plug at 2450', cement squeeze the San Andres perforations at 1742'-2218'; drill out cement plugs in the open hole to about 6500'; run 4" casing to 6500' and cement with 500 sacks cement. Will then complete in the interval of 5312'-5414'.

MUD PROGRAM: Mud to be used is 9.3 ppg Cut Brine, 50-70 vis; 0-TD.

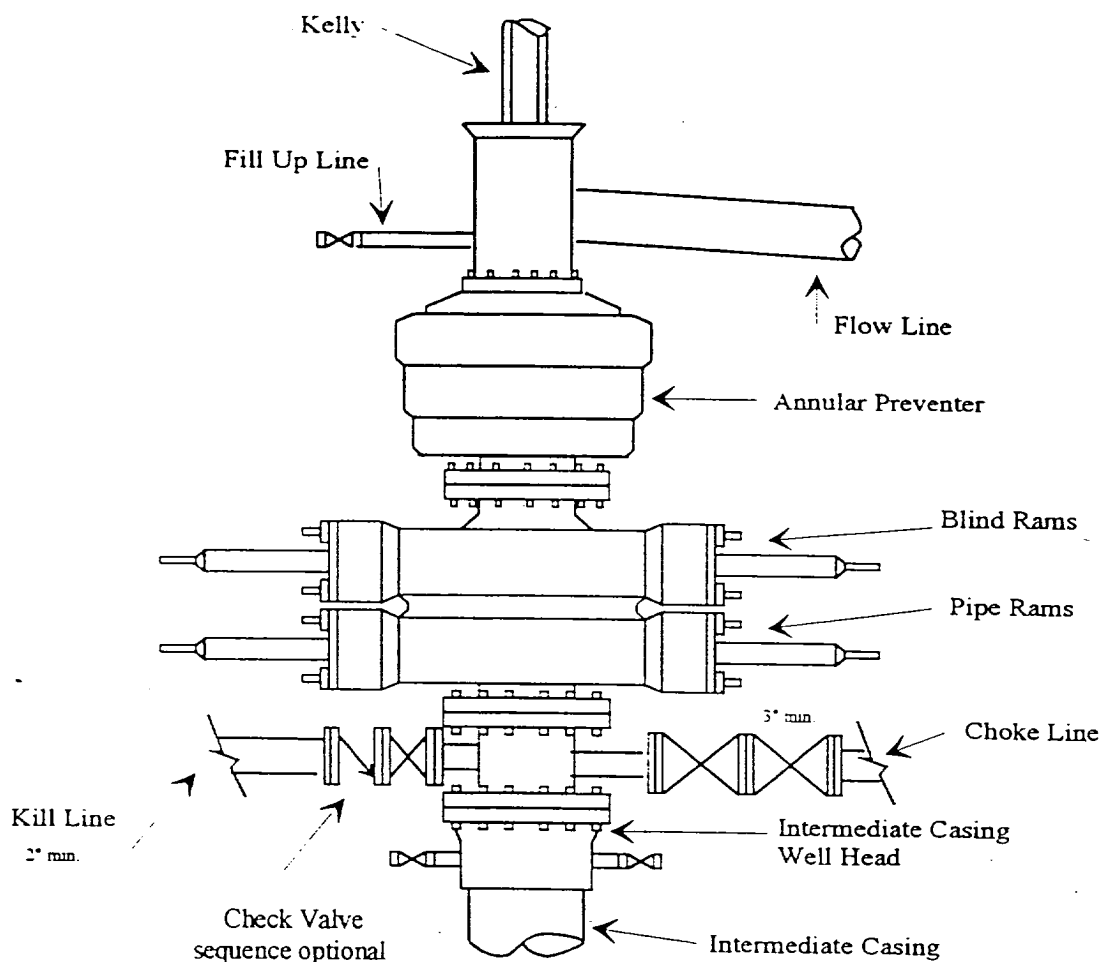
BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing and tested daily for operational.



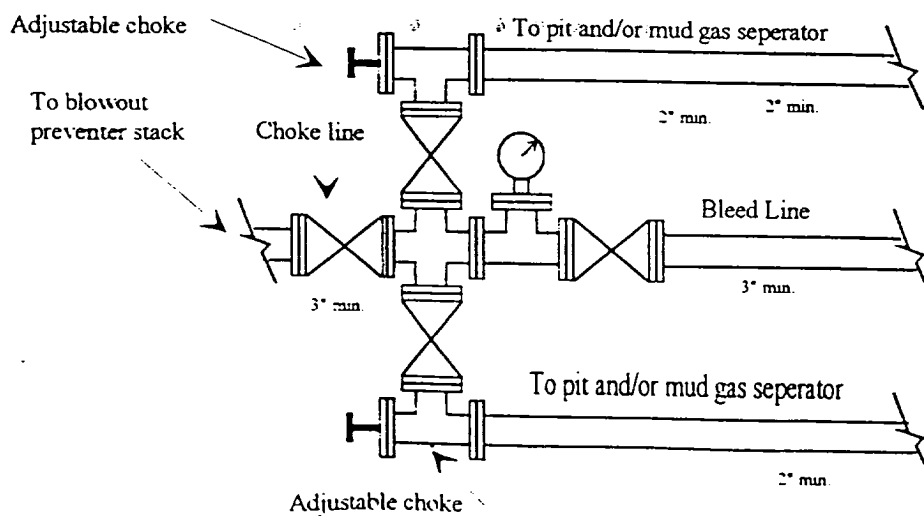
# Yates Petroleum Corporation

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



DRILLING PROGRAM  
Yates Valley "ATM" State #1  
Page 2

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