

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-101
Revised February 10, 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

| | | | |
|---|------------------------------------|-------------|----------------------------|
| Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210 | | MAY 22 1996 | OGRID Number 025575 |
| Property Code 12746 | Property Name Skinny "QO" State | DIST. 2 | API Number 30-005-63092 |
| | | | Well No. 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 |
| Lot 4 | 2 | 6S | 25E | | 660' | South | 990' | West | Chaves |

| 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 |
| Proposed Pool 1 Pecos Slope Abo | | | | | Proposed Pool 2 | | | | |
| 82730 | | | | | | | | | |

| | | | | |
|---------------------|-------------------------|-------------------|----------------------------|---------------------------------|
| Work Type Code N | Well Type Code G | Cable/Rotary R | Lease Type Code S | Ground Level Elevation 3898' |
| Multiple No | Proposed Depth 4300' | Formation Abo | Contractor Undesignated | Spud Date ASAP |

| 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# | 900' | 700 sx | Circulate |
| 7 7/8" | 4 1/2" | 10.5# | TD | 350 sx | |
| Many more to be run | | | | | |
| Time to witness cementing | | | | | |
| the 9 5/8" casing | | | | | |

" 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 Abo and intermediate formations. Approximately 900' of surface casing will be set and cement circulated. If commercial, production casing will be run, cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Spud mud to 900'; Cut Brine to 3700' SW Gel, Starch and Oil to TD.

BOP PROGRAM: BOP's will be installed on the 9 5/8" casing and tested daily.

GAS NOT DEDICATED.

" I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Clifton R. May*
Printed name: Clifton R. May

Title: Regulatory Agent

Date: 5-22-96 Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY TIM W. GUM
Title: DISTRICT II SUPERVISOR

Approval Date: 5-24-96 Expiration Date: 5-24-97

Conditions of Approval:
Attached ☐

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-----------------|-----------------------------|-----------------|
| ' API Number | ' Pool Code | ' Pool Name |
| 30-005-63092 | 82730 | Pecos Slope Abo |
| ' Property Code | ' Property Name | ' Well Number |
| | SKINNY "QO" STATE | 7 |
| ' OGRID No. | ' Operator Name | ' Elevation |
| | YATES PETROLEUM CORPORATION | 3898 |

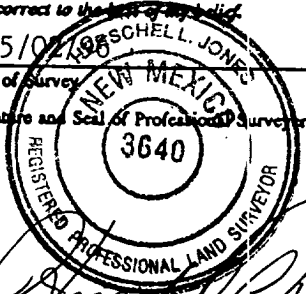
¹⁰ Surface Location

| | | | | | | | | | |
|---------------------------------|--------------|----------------|--------------|---------|---------------|---------------------------|---------------|------------------------|------------------|
| UL or lot no. Lot 4 <i>M</i> | Section 2 | Township 6S | Range 25E | Lot Idn | Feet from the | North/South line SOUTH | Feet from the | East/West line WEST | County CHAVES |
|---------------------------------|--------------|----------------|--------------|---------|---------------|---------------------------|---------------|------------------------|------------------|

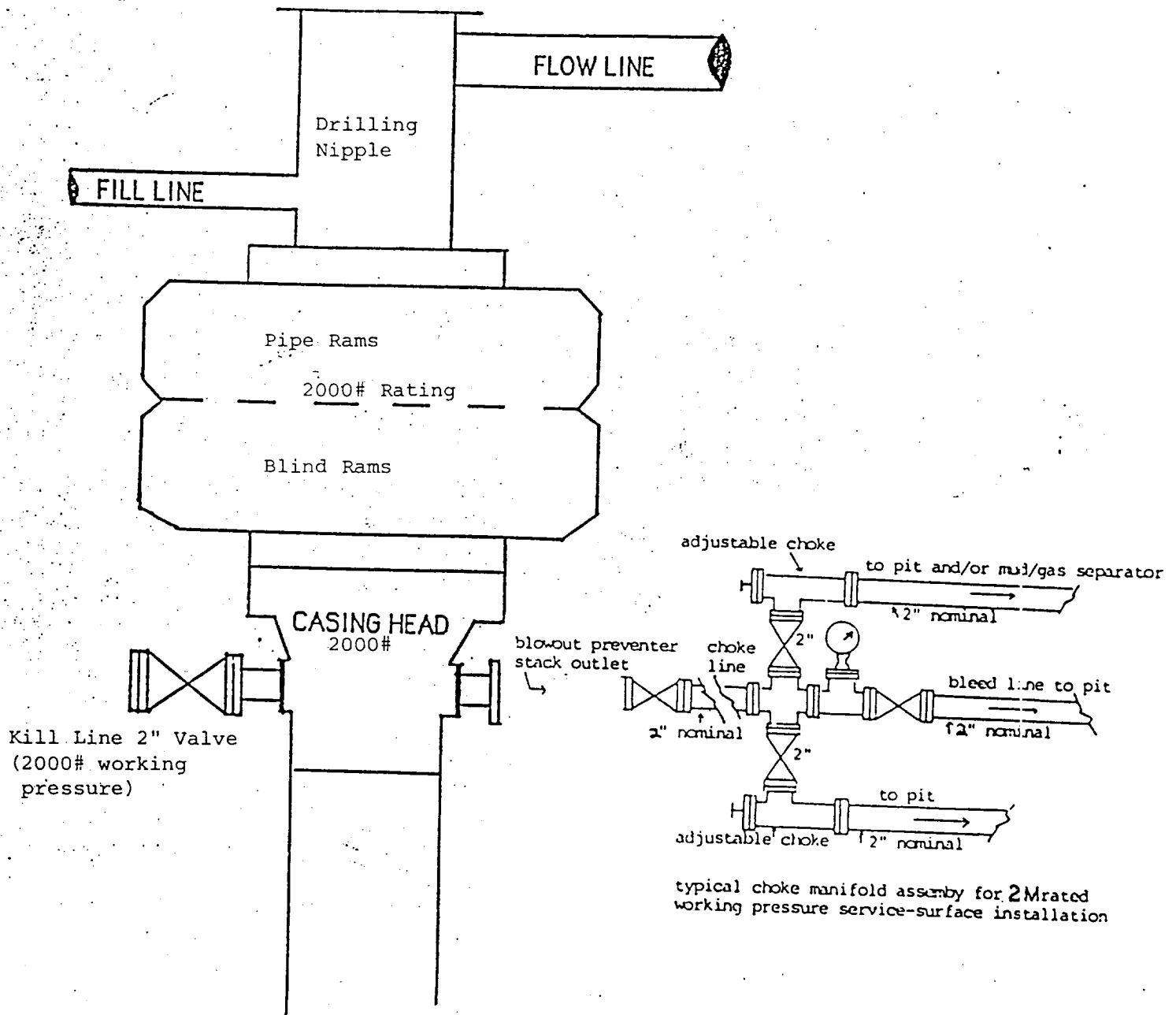
11 Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--------------------------------------|-------------------------------|----------------------------------|-------|-------------------------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹³ Dedicated Acres 160 | 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

| | |
|--|---|
| <p>16</p> | <p align="center">17 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><u>Clifton R. May</u> Signature <u>Clifton R. May</u> Printed Name <u>Regulatory Agent</u> Title <u>5-22-96</u> Date</p> |
| <p>LOT 4 3 2</p> <p>990' → LG-4333 SKINNY "QD" ↑ ST. #1 660'</p> | <p align="center">18 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><u>5/02/98</u> Date of Survey <u>[Signature]</u> Signature and Seal of Professional Surveyor</p> <p align="center"></p> <p>Certificate Number <u>3640</u></p> |

YATES PETROLEUM CORPORATION



**BLOWOUT PREVENTER
2M SYSTEM**