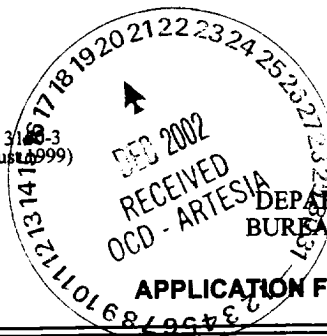


Form 3168-3  
(August 1999)



## DISTRICT II

611 South First, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee 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 Wildcat Precambrian
Property Code	Property Name TECKLA "MD" FEDERAL COM.	Well Number 11
OGED No.	Operator Name YATES PETROLEUM CORPORATION	Elevation 3764

## Surface Location

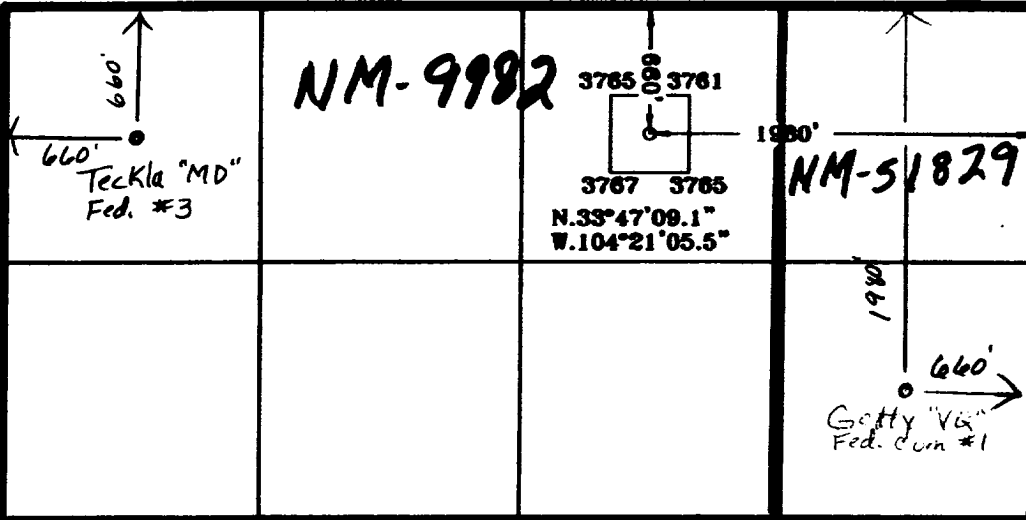
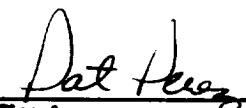

UL or lot No. B	Section 24	Township 6S	Range 25E	Lot 1st	Feet from the 660	North/South line NORTH	Feet from the 1980	East/West line EAST	County CHAVES
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## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
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Dedicated Acres 320	Joint or Infill	Consolidation Code	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

	<b>OPERATOR CERTIFICATION</b>  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.   Signature  Pat Perez Printed Name  Regulatory Agent Title  12/4/2002 Date
	<b>SURVEYOR CERTIFICATION</b>  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.  10/10/2002 Date Surveyed   Signature & Seal of Professional Surveyor  HERSCHEL L. JONES NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR No. 11000 License RLS 3640 TECKLA 11

**YATES PETROLEUM CORPORATION**  
**Leckla "MD" Federal Com. #11**  
**660' FNL and 1980' FEL**  
**Section 24-T6S-R25E**  
**Chaves County, New Mexico**

1. The estimated tops of geologic markers are as follows:

San Andres	550'	Spear Zone	4700'
Glorieta	1540'	Cisco	4955'
Yeso	1615'	George Zone	5090'
Tubb	3050'	Strawn	5140'
Abo	3690'	Basement	5250'
Wolfcamp	4450'	TD	5400'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 250'-350'  
Oil or Gas: All potential formations.

3. Pressure Control Equipment: BOPE will be installed on the 11 3/4" casing and rated for 2000# BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings, which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

**Auxiliary Equipment:**

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
14 3/4"	11 3/4"	42#	H-40	ST&C	0-900'	900'
11"	8 5/8"	24#	J-55	ST&C	0-1600'	1600'
7 7/8"	5 1/2"	15.5#	J-55	ST&C	0-5400'	5400'

1. Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, and Tensile Strength 1.8
2. A 2,000 psi BOP will be nipped up on the 11 3/4" casing and tested to 1000 psi. YPC requests a variance to be granted in requiring the casing and BOPE to be tested to 2000 psi to testing the casing and BOPE to 1000 psi. The rig pumps will be used to test the casing and BOPE. Rig pumps used in this area cannot safely test above 1000 psi. We would have to go to the greater expense of hiring an independent service company to do the testing. Also, the bottom hole pressure in this field is proven to be near 2200 psi. A shut in surface pressure would be less than 1000 psi. We feel that a 1100 psi test will demonstrate that the BOPE is functioning properly, and in the unlikely event of a gas influx that the BOPE would be sufficient to control the well.

**B. CEMENTING PROGRAM:**

Surface Casing: Cement with 350 sx Lite "C" (YLD 2.0 WT 12.5). Tail in with 200 sx "C" + 2% CaCl<sub>2</sub> (YLD 1.33 WT 15.6).

Intermediate: 250 sx Class "C" + 2% CaCl<sub>2</sub> (YLD 1.32 WT 14.8)

Production Casing: 500 sx PVL (YLD 1.34 WT 13). TOC 3100'.

**5. MUD PROGRAM AND AUXILIARY EQUIPMENT:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-900'	FW GEL/Paper/LCM	8.6-9.6	32-36	N/C
900'-3660'	Cut Brine/Brine	9.6-10.2	28	N/C
3660'-5400'	Starch/Salt Gel	9.6-10.2	32-40	<6CC

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

**6. EVALUATION PROGRAM:**

Samples: 10' samples out from under surface casing.

Logging: Platform Express, CNL/LDT W/NGT to TD to surface casing, w/ GR/CNL TD to surface, DLL/MSFL TD to surface casing, BHC Sonic TD to surface casing; FMI TD - top of Wolfcamp.

Coring: Sidewall

DST's: None

**7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:**

Anticipated BHP:

From: 0	TO: 900'	Anticipated Max. BHP: 375 PSI
From: 900'	TO: 5400'	Anticipated Max. BHP: 2000 PSI

Abnormal Pressures Anticipated: None

Lost Circulation Zones Anticipated: None.

H<sub>2</sub>S Zones Anticipated: None Anticipated

Maximum Bottom Hole Temperature: 145 F

**8. ANTICIPATED STARTING DATE:**

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 15 days to drill the well with completion taking another 15 days.

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**YATES PETROLEUM CORPORATION**  
**Teckla "MD" Federal Com. #11**  
**660' FNL and 1980' FEL**  
**Section 24-T6S-R25E**  
**Chaves County, New Mexico**

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

**1. EXISTING ROADS:**

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 28 miles northeast of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:**

Go northeast out of Roswell on Hwy 285. From the intersection of Hwy 70 & 285, go approximately 24 miles to Dona Anna Road. Turn east and follow Dona Anna approximately 10.5 miles to Mapco pipeline road. Turn right, and go approximately 4 miles. Turn right on lease road and go approximately 0.8 of a mile and take right fork. Stay on lease road for approximately 0.5 of a mile and just through the cattle guard, turn left. Go east approximately 300' and you go through another cattle guard and the road turns south. Go approximately 0.2 of a mile to a 2-track road on the left, take 2-track and drive approximately 0.3 of a mile where the road is staked going to the SW corner of the location.

**2. PLANNED ACCESS ROAD:**

- A. The proposed new access will be approximately 2200' in length from the point of origin to the southeast corner of the drilling pad.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on both sides. No traffic turnout will be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

**3. LOCATION OF EXISTING WELL:**

- A. There is drilling activity within a one-mile radius of the well site.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed well site.

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:**

- A. There are production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources, possibly in Roswell, and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

The dirt contractor will be responsible for finding a source of material for construction of road and pad and will obtain any permits, which may be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not approved.

**8. ANCILLARY FACILITIES: NONE**

**9. WELLSITE LAYOUT:**

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach. Note: Pits to East Southeast.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

**10. PLANS FOR RESTORATION:**

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the well site in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Marie Haumont

OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, and historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE:

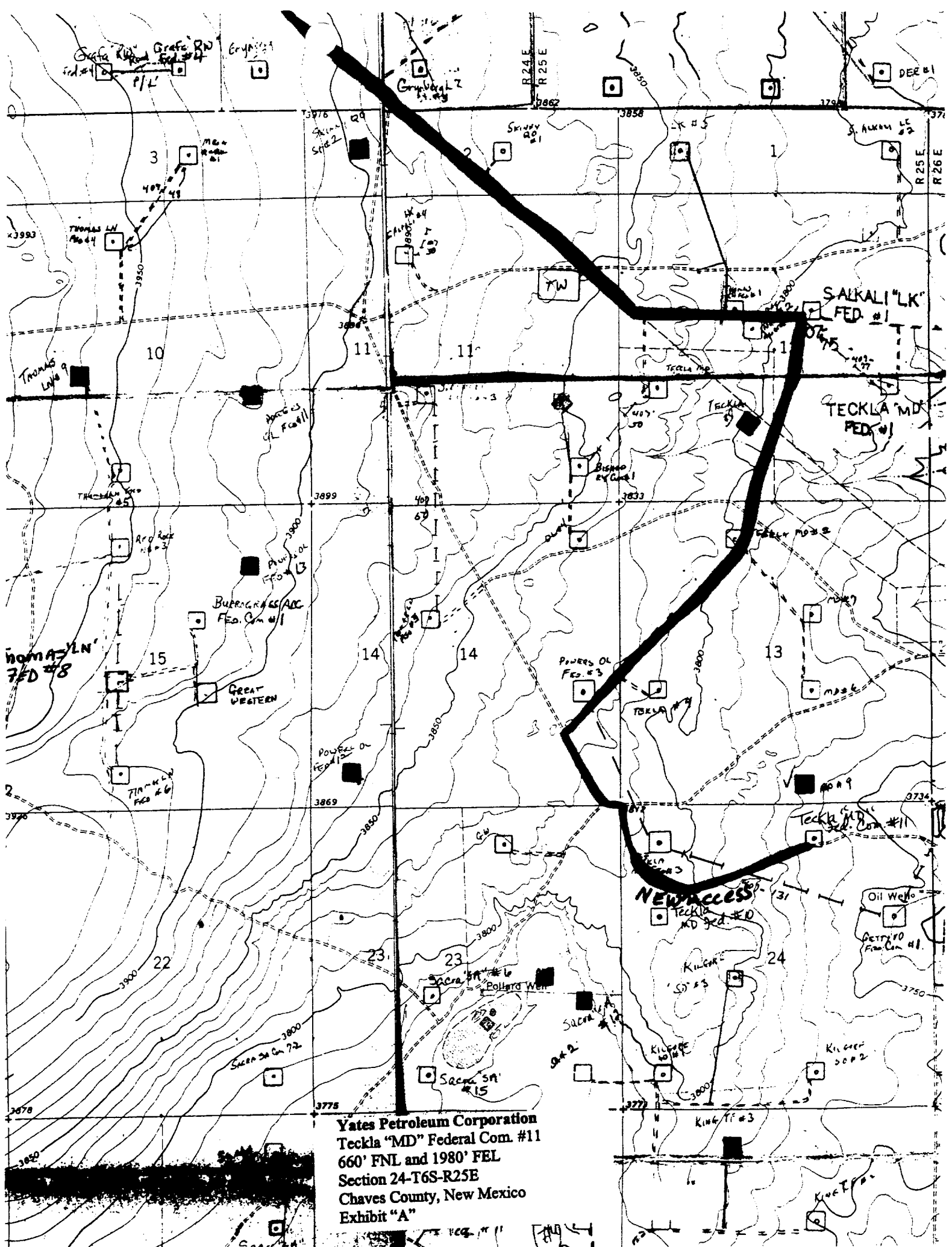
- |  |   |
|--|---|
| A. Through A.P.D. Approval:<br>Patricia Perez, Regulatory Agent<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210<br>Phone (505) 748-1471 | B. Through Drilling, Completions & Prod.<br>Pinson McWhorter, Operations Manager<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210<br>Phone (505) 748-1471 |
|--|---|

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

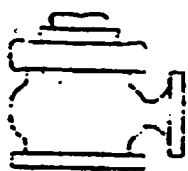
12/4/02

  
\_\_\_\_\_  
Regulatory Agent



Yates Petroleum Corporation  
Teckla "MD" Federal Com. #11  
660' FNL and 1980' FEL  
Section 24-T6S-R25E  
Chaves County, New Mexico  
Exhibit "A"



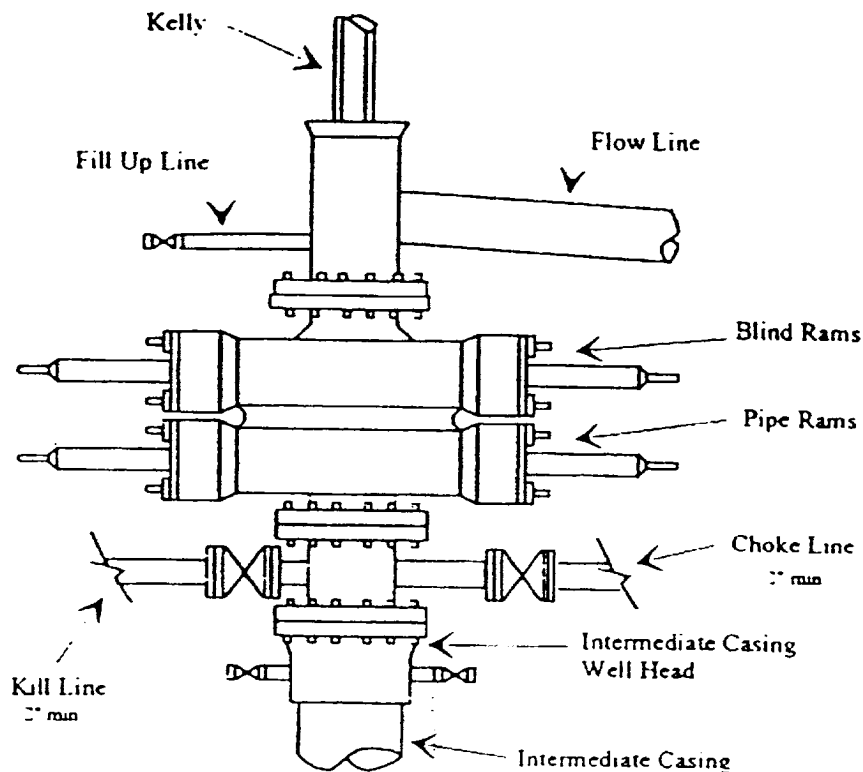


# Yates Petroleum Corporation

BOP-2

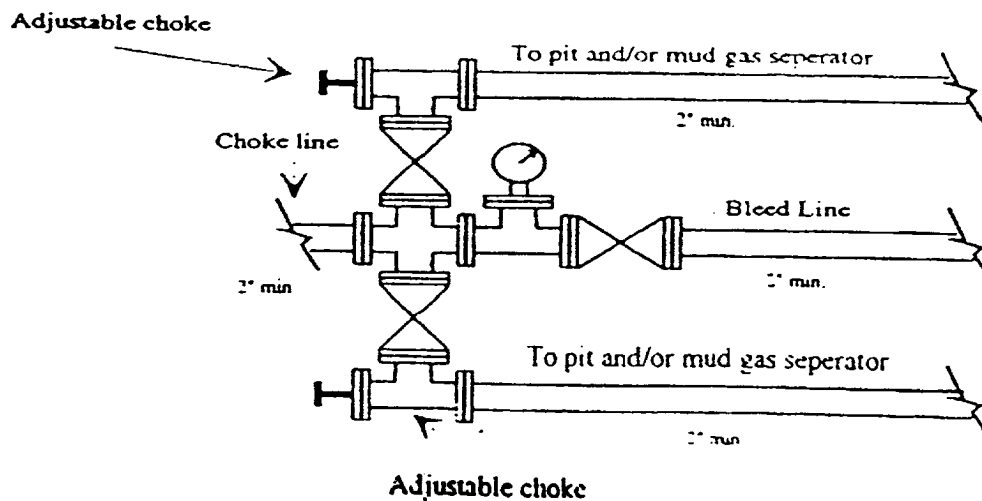
## Typical 2,000 psi Pressure System Schematic

### Double Ram Preventer Stack



**Yates Petroleum Corporation**  
**Teckla "MD" Federal Com. #11**  
**660' FNL and 1980' FEL**  
**Section 24-T6S-R25E**  
**Chaves County, New Mexico**  
**Exhibit "B"**

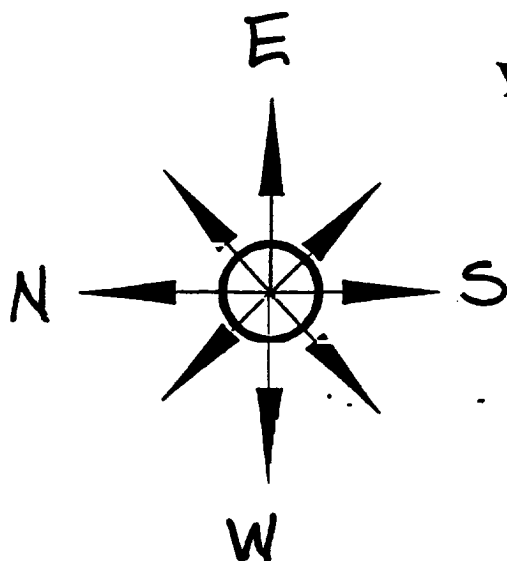
Typical 2,000 psi choke manifold assembly with at least these minimum features



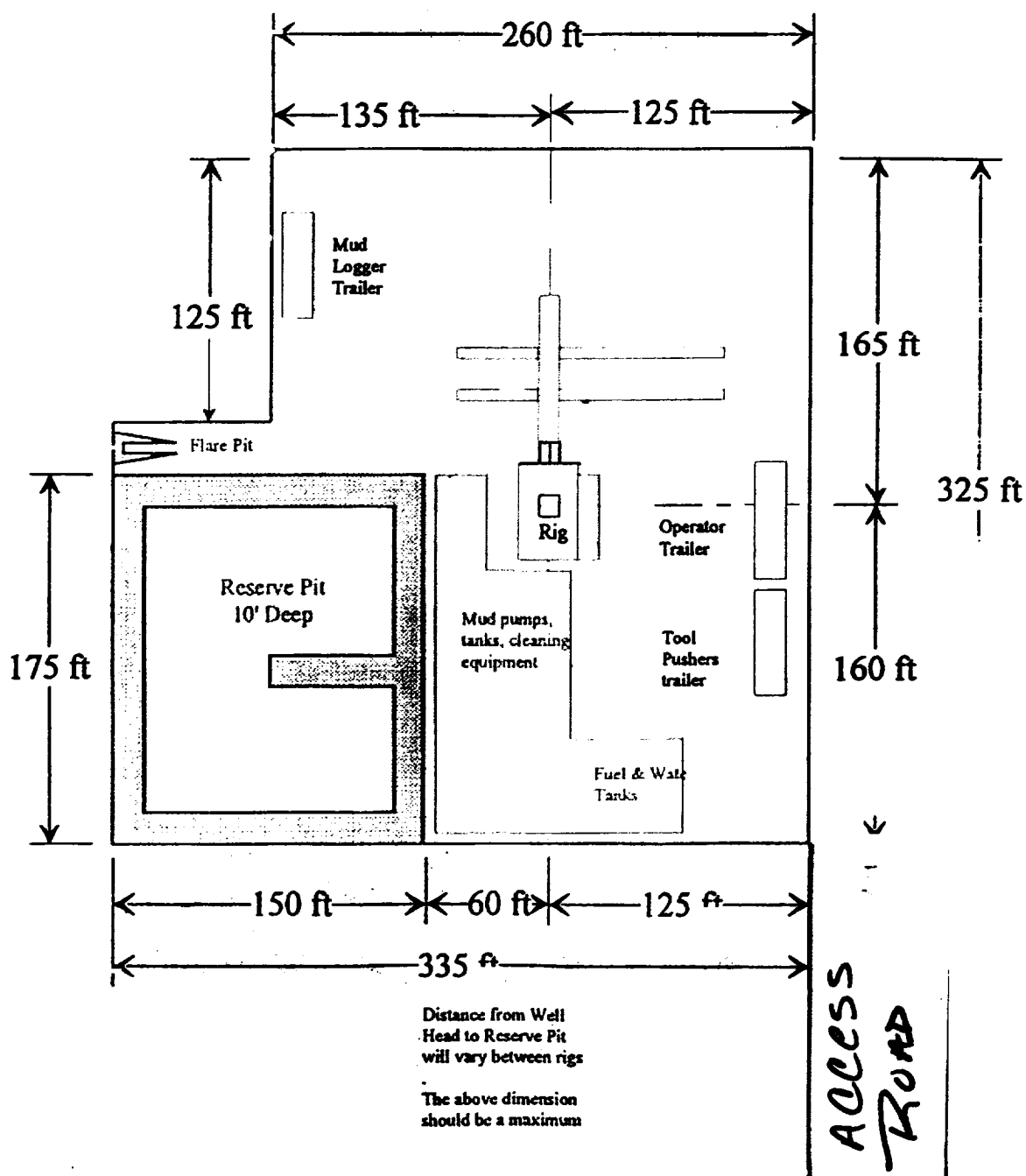
# Yates Petroleum Corporation

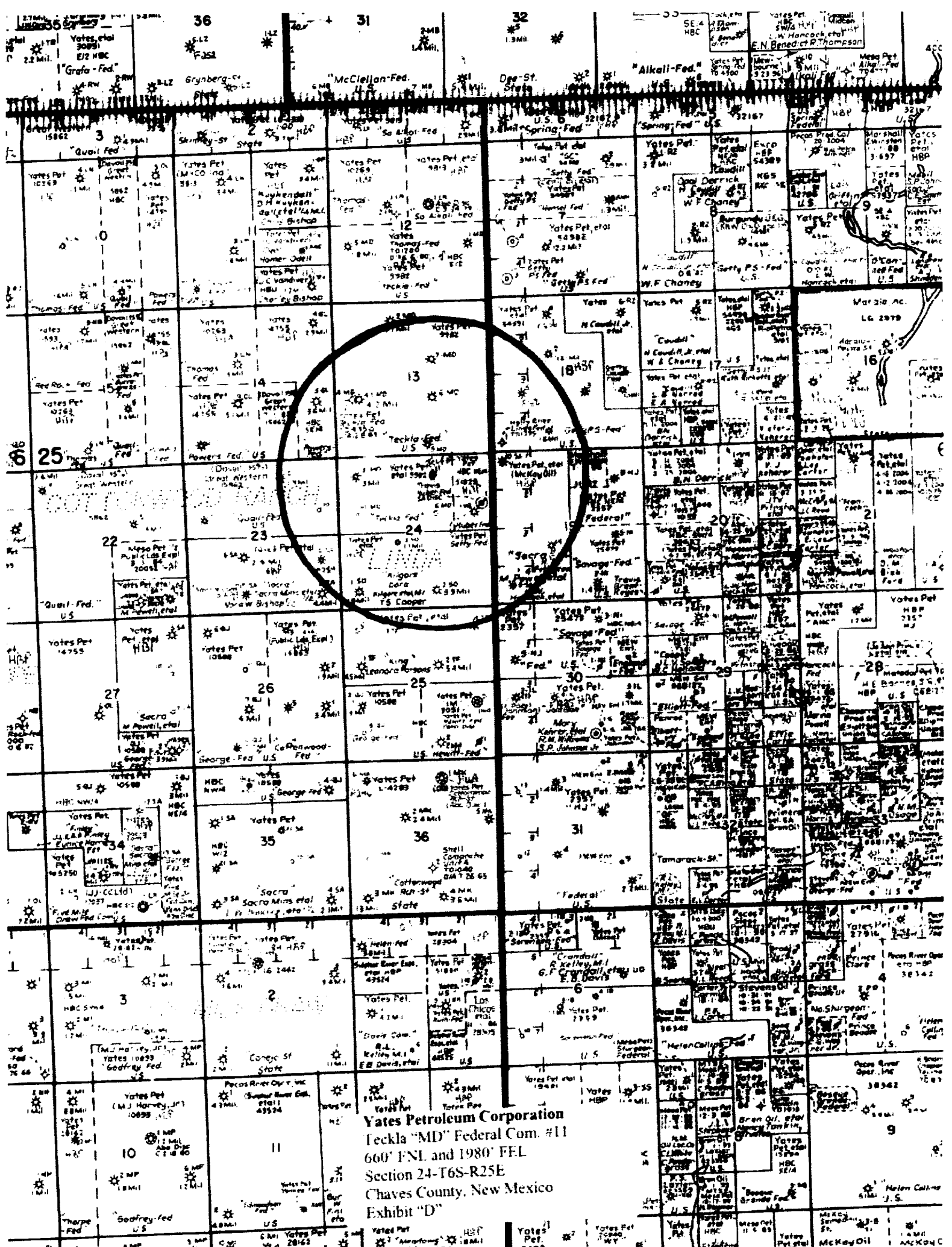
Location Layout for Permian Basin

Up to 12,000'



Yates Petroleum Corporation  
Teckla "MD" Federal Com. #11  
660' FNL and 1980' FEL  
Section 24-T6S-R25E  
Chaves County, New Mexico  
Exhibit "C"





Yates Petroleum Corporation  
Teckla "MD" Federal Com. #11  
660' FNL and 1980' FEL  
Section 24-T6S-R25E  
Chaves County, New Mexico  
Exhibit "D"