

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
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
March 4, 2004

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575
		API Number 30 - 025-31046
³ Property Code 33288	⁵ Property Name Penroc BEPState	⁶ 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
C	5	10S	34E		660	North	1980	West	Lea

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
⁹ Proposed Pool 1 Wildcat Mississippian					¹⁰ Proposed Pool 2				

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	5	10S	34E		660	North	1980	West	Lea
Depth to ground water 75'				Distance from nearest fresh water well Over (2) two miles			Distance from nearest surface water Over (2) two miles		
¹¹ Work Type Code E 4 D		¹² Well Type Code G		¹³ Cable/Rotary Rotary		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 4254'	
¹⁶ Multiple No		¹⁷ Proposed Depth 12600'		¹⁸ Formation Mississippian		¹⁹ Contractor		²⁰ Spud Date 05/06/2004	

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
26"	20"		40'	Redi-Mix	
17.5"	13 3/8"	54.5#	380' - In Place	400	
12.25"	8 5/8"	32#	4050' - In Place	1900	
7 7/8"	4 1/2"	11.6#	12600'	450	10,000'

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.

SEE ATTACHED SHEETS
Permit Expires 1 Year From Approval
Date Unless Drilling Underway

RE-Entry

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 NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature:

Clifton May

Printed name: Clifton May

Title: Regulatory Agent

E-mail Address: debbiec@ypcn.com

Date: May 5, 2004

Phone: (505) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Paul J. Kandy

Title:

Approval Date:

MAY 17 2004

Expiration Date:

PETROLEUM ENGINEER

Conditions of Approval:

Attached ☐

**Yates Petroleum Corporation
Penroc BEP State #1 Re-entry
660' FNL and 1980' FWL
Section 5-T10S-R34E
Lea County, New Mexico
Lease VO-6839**

Drilling Plans:

Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Yates Petroleum Corporation as their Prairie Schooner AIF State #1, which was plugged on January 9, 1991. Yates will use a pulling unit and a reverse unit to drill out cement plugs using a 7 7/8" bit in the 8 5/8" casing and to the top of the 5 1/2" at 4050'. The casing will be tested.

A drilling rig will be moved onto location and the remaining plugs will be drilled out to the original TD of 10,125'. The well will be deepened with a 7 7/8" bit to approximately 12600'. New logs will be run. Then, 4 1/2" casing will be run and cemented to approximately 10,000' with 450 sacks. The well will be completed with a pulling unit in the Mississippian, Morrow, or Atoka. The mud program will be 9.2 to 9.5 ppg brine water with viscosity of 55-70 cp. A 5,000-psi BOP will be used.

DISTRICT I
1626 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Elia Brazos Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
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 30-025-31046	Pool Code ✓	Pool Name Wildcat Mississippian
Property Code 33988	Property Name Penroc BEP State	Well Number 1
OGED No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4254' GR

Surface Location

UL or lot No. C	Section 5	Township 10 S	Range 34 E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/West line West	County Lea
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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
Dedicated Acres 320 W/2	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

1980'	660'								
VO-6839									

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Clifton R. May
Signature
Clifton R. May
Printed Name
Regulatory Agent
Title
5/5/04
Date

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.

Refer to original plat

Date Surveyed
Signature & Seal of
Professional Surveyor

Certificate No.

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

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

DISTRICT II
P.O. Denver DE, Azusa, NM 88210

DISTRICT III
1000 Rio Arriba Rd., Azusa, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease PRAIRIE SCHOONER "AIF" ST.		Well No. 1
Unit Letter C	Section 5	Township 10 South	Range 34 East	County NMEM Lea	
Actual Footage Location of Well: 1980 feet from the West line and 660 feet from the North line					
Ground level Elev. 4254	Producing Formation BOUGH C		Pool VADA PENN		Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or inkline 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, lease-pooling, etc.?

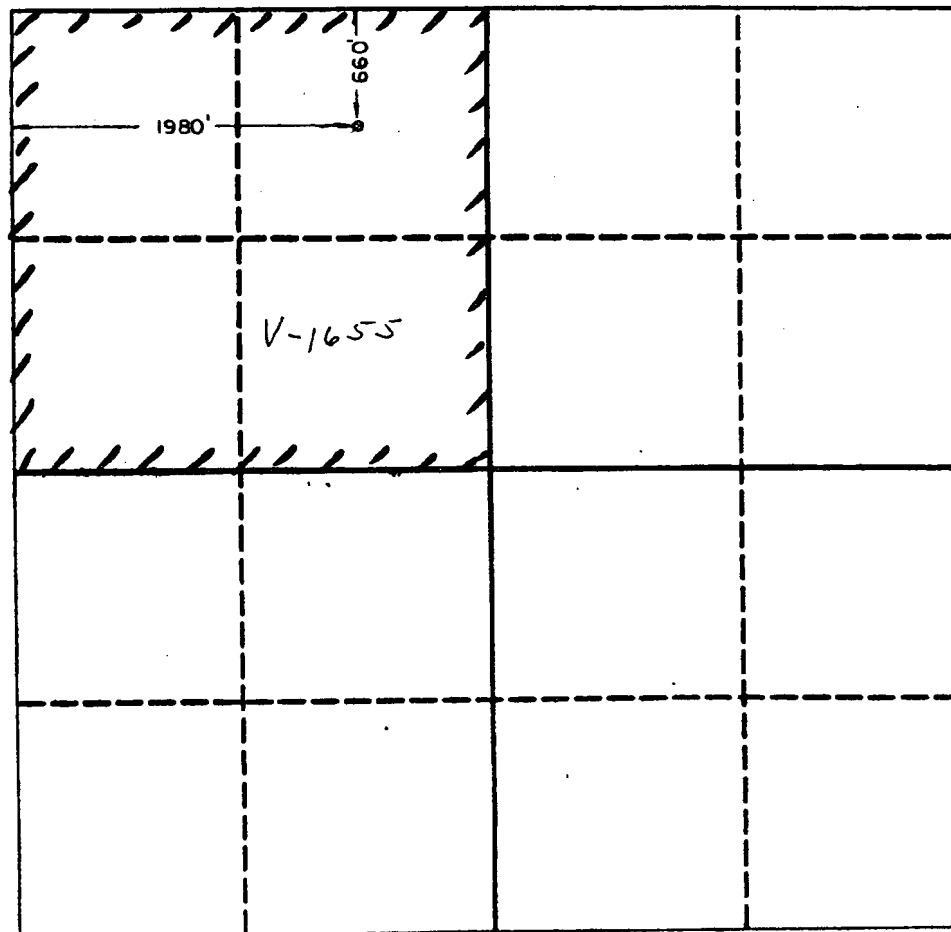
☐ Yes

☐ No

If answer is "yes" type of consolidation

If answer is "no" list the owners and their 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, lease-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Clifton R. May

Printed Name

Clifton R. May

Position

Permit Agent

Company

Yates Petroleum Corp.

Date

10-23-90

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 knowledge and belief.

Date Surveyed

10/18/90

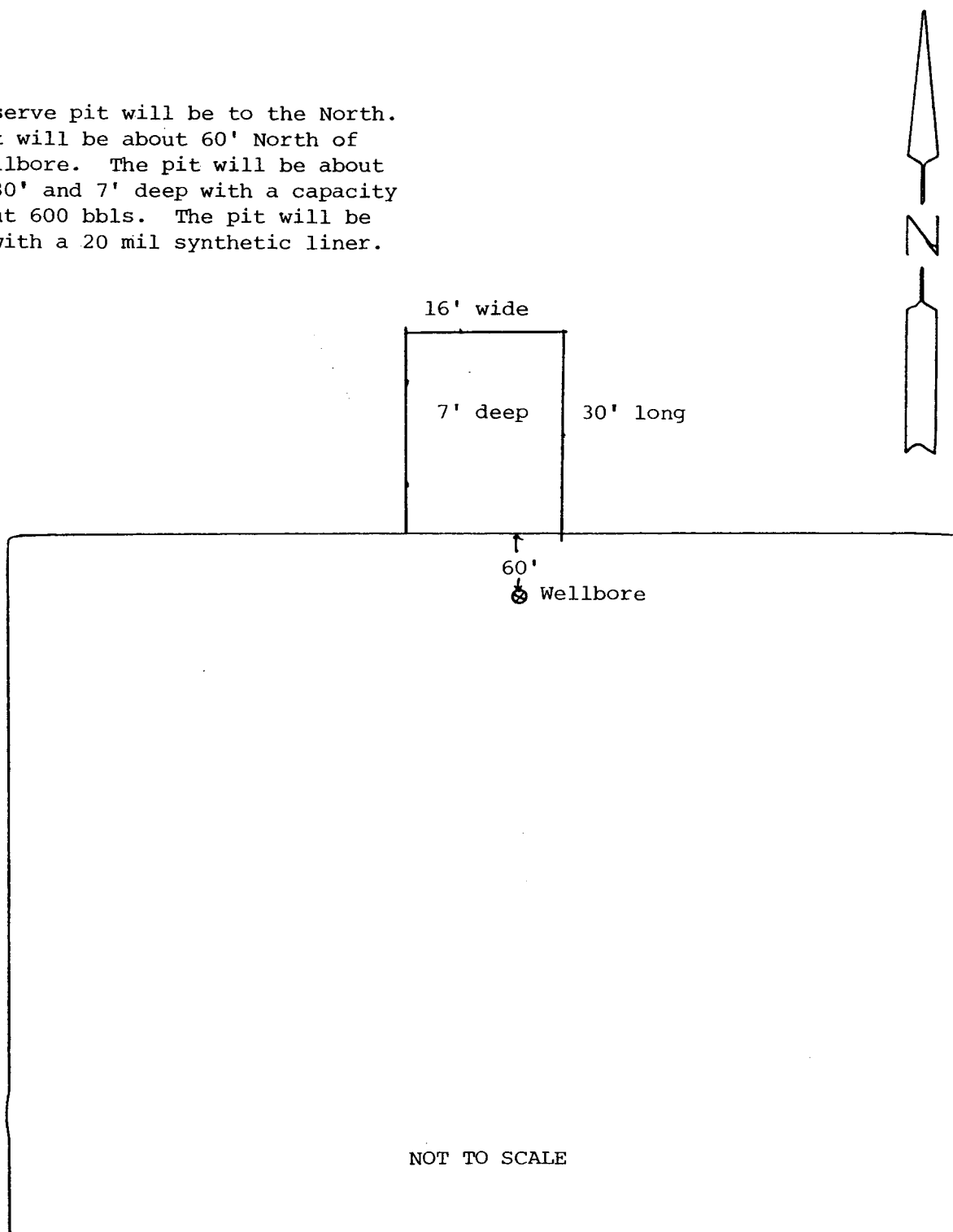
Signature of Seal of
Professional Surveyor

Certificate No.

8640

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

The reserve pit will be to the North.
The pit will be about 60' North of
the wellbore. The pit will be about
16' X 30' and 7' deep with a capacity
of about 600 bbls. The pit will be
lined with a 20 mil synthetic liner.



Well Name: Penroc BEP State No. 1 Field: _____

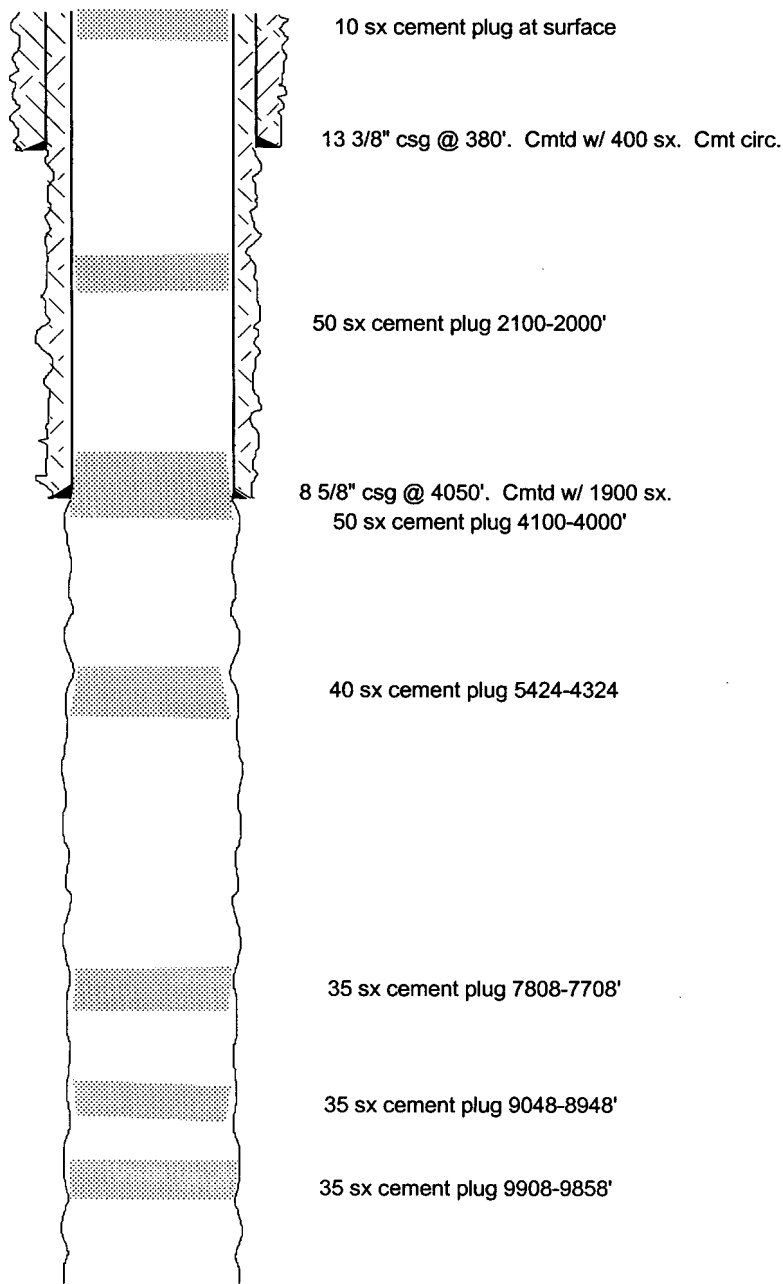
Location: 660' FNL & 1980' FWL Sec. 5-10S-34E Lea Co, NM

GL: 4254' Zero: _____ AGL: _____ KB: _____

Spud Date: 12/7/90 Completion Date: _____

Comments: Originally drilled by YPC as Prairie Schooner AIF State No. 1

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 54.5# J55	380'
8 5/8" 32# J55	4050'



CURRENT CONFIGURATION

TD 10125'

SKETCH NOT TO SCALE

DATE: 4/27/04

Well Name: Penroc BEP State No. 1 Field: _____

Location: 660' FNL & 1980' FWL Sec. 5-10S-34E Lea Co, NM

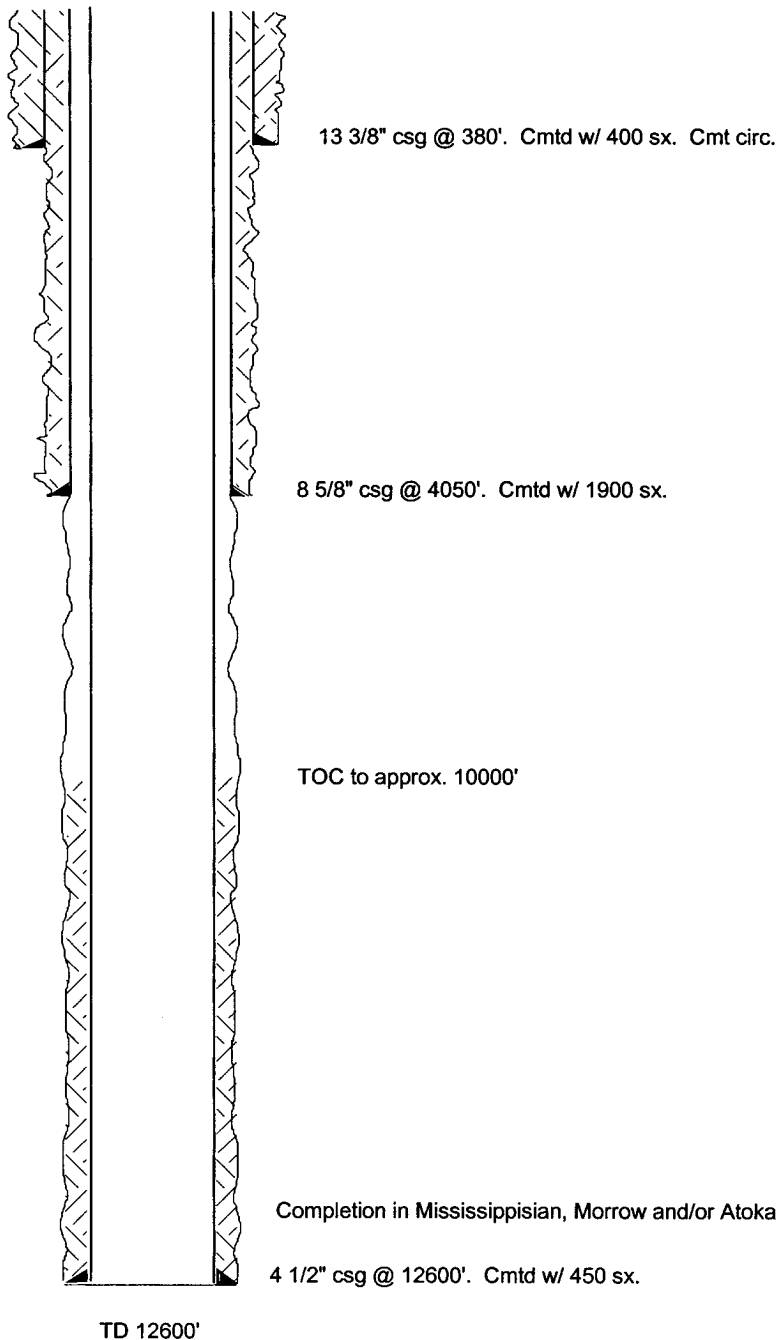
GL: 4254' Zero: _____ AGL: _____ KB: _____

Spud Date: 12/7/90 Completion Date: _____

Comments: Originally drilled by YPC as Prairie Schooner AIF State No. 1

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 54.5# J55	380'
8 5/8" 32# J55	4050'
4 1/2" 11.6# P110	12600'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 4/28/04