

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

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

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, NM 88210		OGRID Number 025575 API Number 30-025-36015
Property Code 30590	Property Name Flat Top BBF State Com.	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
D	6	15S	35E		990'	North	990'	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
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⁹ Proposed Pool 1

Morton; Mississippian Gas

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
D	6	15S	35E		990'	North	990'	West	Lea

Depth to ground water

58'

Distance from nearest fresh water well

More than 1000'

Distance from nearest surface water

More than 1000'

¹¹ Work Type Code
N¹² Well Type Code
G¹³ Cable/Rotary
Rotary¹⁴ Lease Type Code
S¹⁵ Ground Level Elevation
4052'¹⁶ Multiple
No¹⁷ Proposed Depth
13,900'¹⁸ Formation
Mississippian¹⁹ Contractor
Not determined²⁰ Spud Date
ASAP**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48	400	300	Surface
12.25	9.625	36 & 40	6150	1700	Surface
8.75	5.5	17 & 20	13900	1000	TOC-9300'

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 and test the Mississippian/Intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 6150', cement circ. to surface. If commercial, production casing will be run and cemented, perforate and stimulate as needed for production. **MUD PROGRAM:** 0-400' FW/Gel/Paper; 400'-6150' FW going to Brine; 6150'-12300' Cut Brine w/Sweeps; 12300'-13900' Salt Gel/ Starch/Driscap. **BOPE PROGRAM:** A 5000# BOPE will be installed on the 9 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 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: September 10, 2004

Phone: (505) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

SEP 21 2004

Conditions of Approval:

Attached ☐

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

ALJ I
French Dr., Hobbs, NM 88240
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 and Natural Resources Department

Form U-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 30-025-36015	Pool Code 96593	Pool Name Morton Wildcat Mississippian
Property Code 3D590	Property Name FLAT TOP "BBF" STATE COM	Well Number 1
GRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4052

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	6	15S	35E		990	NORTH	990	WEST	LEA

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	Joint or Infill	Consolidation Code	Order No.
320 W/2			

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

<div><div>990'</div><div>990'</div><div>N.33°03'04.0" W.103°27'08.7"</div></div>	VO-6362			
	V-5720			

OPERATOR CERTIFICATION

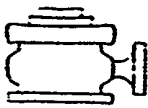
I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Clifton R. May
Signature
Clifton R. May
Printed Name
Regulatory Agent
Title
10/4/2002
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.

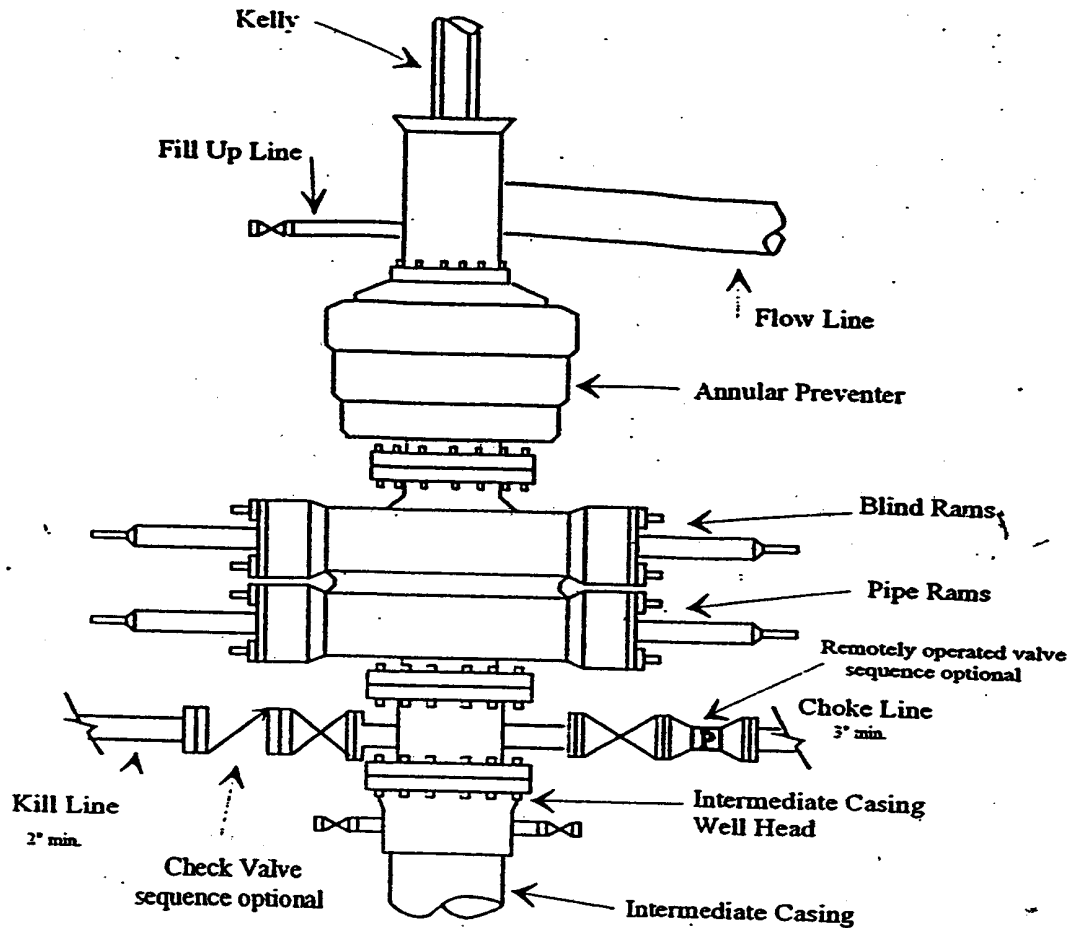
9/30/2002
Date Surveyed
Signature
Professional Surveyor
3640
Certification No. Jones RLS 3640
FLAT TOP
GENERAL SURVEYING COMPANY



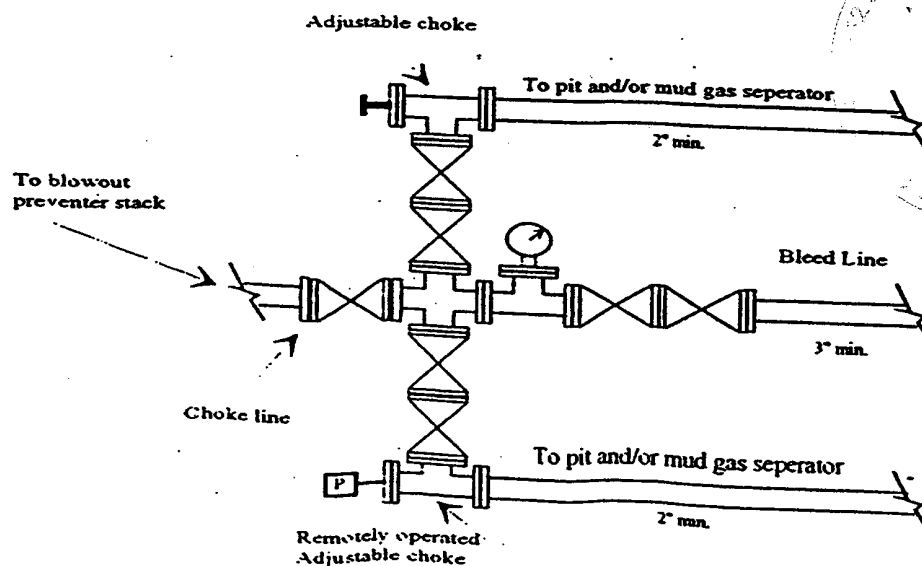
Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features



RECEIVED
Hobbs
600

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1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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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-144
March 12, 2004

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

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Yates Petroleum Corporation Telephone: (505) 748-4347 e-mail address: debbiec@ypcnm.com

Address: 105 South 4th Street, Artesia, NM 88210

Facility or well name: Flat Top BBF State Com. #1 API #: 30-025-36015 U/L or Qtr/Qtr D Sec 6 T 15S R 35E

County: Lea Latitude N33.03.04.0 Longitude W103.27.08.7 NAD: 1927 ☐ 1983 ☐ Surface Owner - Federal ☐ State ☒ Private ☐ Indian ☐

Pit Type: Drilling ☒ Production ☐ Disposal ☐

Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 12 mil

Clay ☐ Volume 24,000 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not. _____

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

20 Points

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date: September 10, 2004

Printed Name/Title Clifton R. May/Regulatory Agent Signature Clifton R. May

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 9/15/04

PETROLEUM ENGINEER

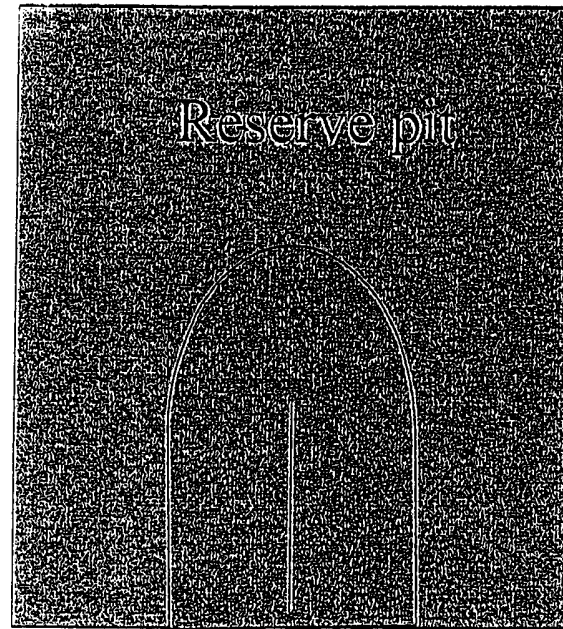
Printed Name/Title _____

Signature Paul J. King

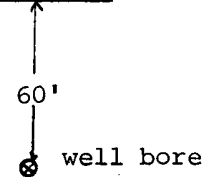
RECEIVED
Hobbs
OCD

YATES PETROLEUM CORPORATION
General Plan was approved 4/15/04

The reserve pit will be to the North.
The Southeast corner of the pit will
be approximately 60' North of the well
bore. The pit will be a 150' X 150'
and 6' deep with a capacity of 24,000
bbls.



Flare pit



Standard reserve pit. All Reserve pits are double
Horse shoe size varies with depth of well