

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

|   |  |  |
|---|--|--|
| <sup>1</sup> Operator Name and Address<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, NM 88210 |  | <sup>2</sup> OGRID Number<br>025575<br>API Number<br><b>30-025-37038</b> |
| <sup>3</sup> Property Code<br>29489   | <sup>5</sup> Property Name<br>New Grass State Unit | <sup>6</sup> Well No.<br>002   |

#### <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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| C             | 24      | 15S      | 34E   |         | 660           | North            | 1650          | West           | Lea    |

#### <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<br>Wildcat Mississippian |         |          |       |         | <sup>10</sup> 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                                      | 24      | 15S                                    | 34E   |   | 660           | North                                      | 1650   | West  | Lea    |
| Depth to ground water<br>Less than 50' |         |  |       | Distance from nearest fresh water well<br>1000' or more |               |  | Distance from nearest surface water<br>1000' or more |   |        |
| <sup>11</sup> Work Type Code<br>N      |         | <sup>12</sup> Well Type Code<br>G      |       | <sup>13</sup> Cable/Rotary<br>Rotary                    |               | <sup>14</sup> Lease Type Code<br>S         |  | <sup>15</sup> Ground Level Elevation<br>4054' |        |
| <sup>16</sup> Multiple<br>No           |         | <sup>17</sup> Proposed Depth<br>13600' |       | <sup>18</sup> Formation<br>Mississippian                |               | <sup>19</sup> Contractor<br>Not Determined |  | <sup>20</sup> Spud Date<br>ASAP               |        |

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

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14 3/4"   | 11 3/4"     | 42#                | 400'          | 400             | 0             |
| 11"       | 8 5/8"      | 32#                | 4600'         | 1100            | 0             |
| 7 7/8"    | 5 1/2"      | 17# & 20#          | 13,600        | 1000            | TOC-9250'     |

<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 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 and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4600' and cemented and circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**Mud Program: 0-400' FW/Gel/Paper; 400'-4600' FW going to Brine; 4600'-11800' Cut Brine w/Sweeps; 11800'-TD Salt Gel/Starch/Drispac.**  
**BOPE Program: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.**

<sup>23</sup> 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:

*Debbie L. Caffall*

Printed name: Debbie L. Caffall

Title: Regulatory Technician

E-mail Address: debbiec@ypcn.com

Date: January 5, 2005

Phone: (505) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

Permit Expires 1 Year From Approval Date Unless Drilling Underway

C144 attached

First, Artesia, NM 88210

DISTRICT III

Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

2345 South Pacheco, Santa Fe, NM 87505

# OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|  |  |           |                                    |
|--|--|-----------|------------------------------------|
| API Number<br>30-025- <del>36133</del> 37038 |  | Pool Code | Pool Name<br>WILDCAT MISSISSIPPIAN |
| Property Code<br>29489                       | Property Name<br>NEW GRASS STATE UNIT        |           | Well Number<br>2                   |
| OGHD No.<br>025575                           | Operator Name<br>YATES PETROLEUM CORPORATION |           | Elevation<br>4054                  |

### 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             | 24      | 15S      | 34E   |         | 660           | NORTH            | 1650          | 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             |                 |                    |           |

**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**

|       |      |        |
|-------|------|--------|
| 1650' | 660' | V-5813 |
|       |      |        |
|       |      |        |
|       |      |        |
|       |      |        |
|       |      |        |
|       |      |        |
|       |      |        |

### OPERATOR CERTIFICATION

I hereby certify 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

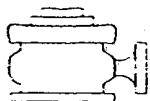
Title  
7/29/04  
Date

### 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.

12/28/2000

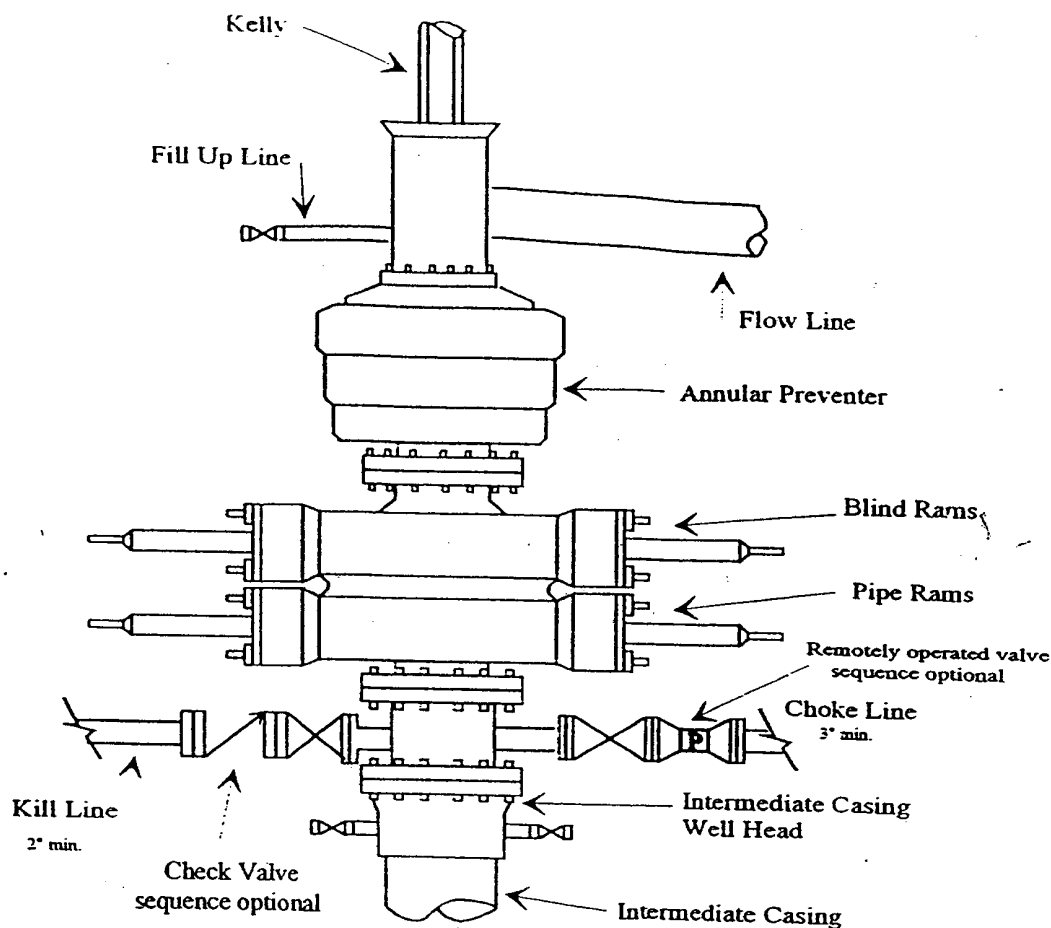
Date Surveyed  
Signature of Surveyor  
Professional Seal  
H. SCHWELL L. JONES  
NEW MEXICO  
3640  
REG. SURVEYOR  
Certificate No. 70846  
Professional Seal  
BANKS AND WL-1  
GENERAL SURVEYING COMPANY



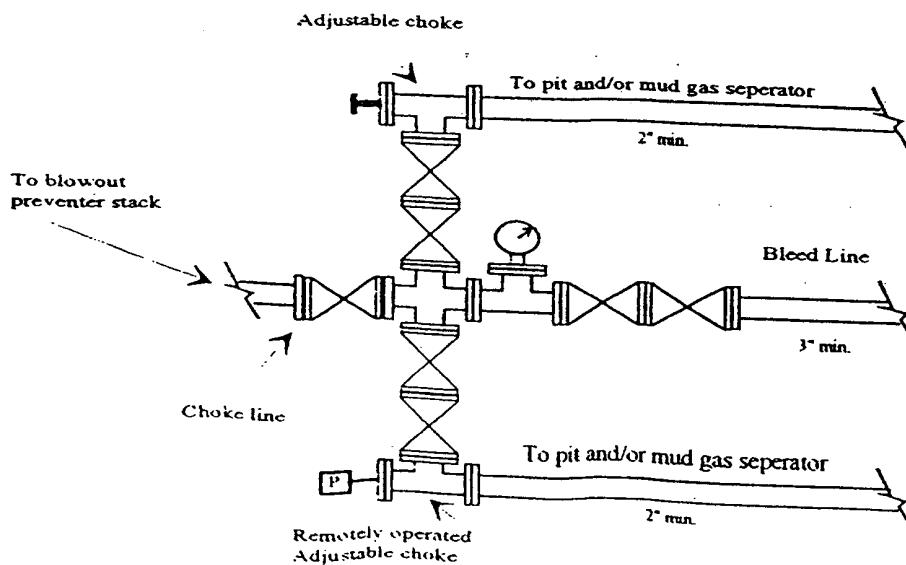
# Yates Petroleum Corporation

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



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Form C-144  
March 12, 2004

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 xx 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) 748-4372 e-mail address: debbiec@ypcnm.com

Address: 105 South 4<sup>th</sup> Street, Artesia, NM 88210

Facility or well name: New Grass State Unit # 2 API #: 30-025-26123-37038 U/L or Qtr/Qtr C Sec 24 T 15S R 34E

County: Lea Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ 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)**

**Points 10**

**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: January 5, 2005

Printed Name/Title Debbie L. Caffall/Regulatory Technician Signature Debbie L. Caffall

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.

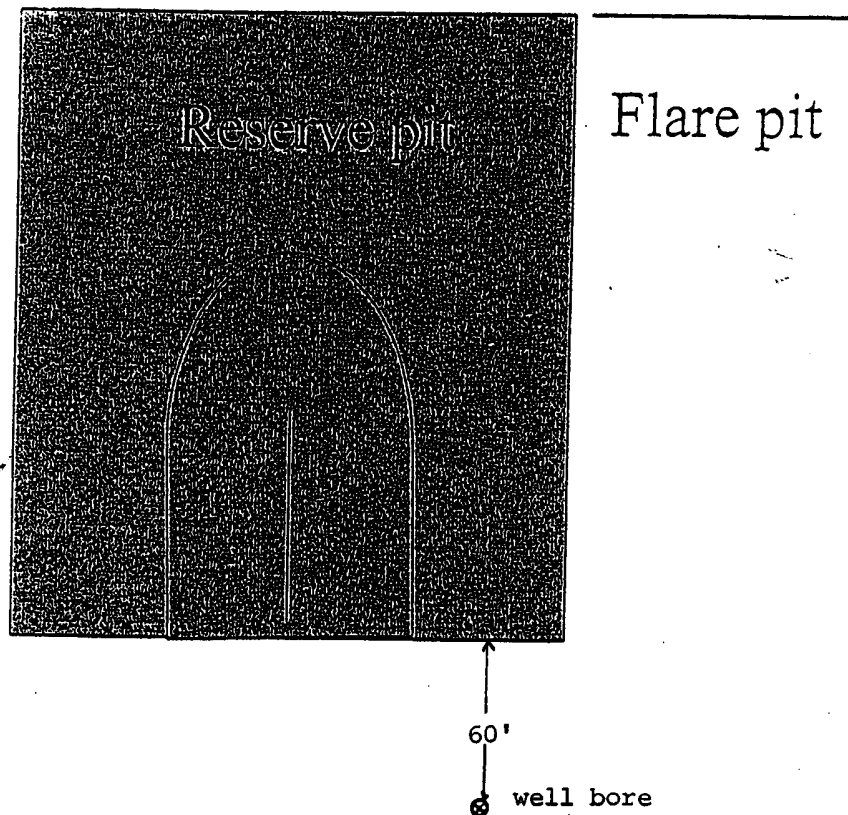
Approval:

Date: JAN 08 2005 **PETROLEUM ENGINEER**

Printed Name/Title \_\_\_\_\_ Signature [Signature]

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.



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