

District I
1625 N French Dr., Hobbs, NM 88240
District II
1401 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

Form C-101
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE

FOR RECORD ONLY
Amended

1 Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico		2 OGRID Number 025575
		3 API Number 30-015-26185
4 Property Code 20903	5 Property Name Dec 36 SP State Comm	6 Well No #2
7 Proposed Pool 1 North Dagger Draw Upper Permit (15472)		8 Proposed Pool 2

9 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	19S	24E		940	South	990	West	Lddy

10 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
P	36	19S	24E		940	South	660	East	Lddy

Additional Well Information

11 Work Type Code Plugback Re-Enter	12 Well Type Code Oil	13 Cable/Rotary Rotary	14 Lease Type Code State	15 Ground Level Elevation 3621.0
16 Multiple No	17 Proposed Depth 10932 MD & 7555 TVD	18 Formation Cisco	19 Contractor	20 Spud Date

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated IOC
12 1/4"	9 5/8"	36#	1205-in place	1426	0
8 3/4"	7"	26#	8100-in place	2150	0
6 1/8"	4 1/2"	11.6#	10932	425	6800

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.

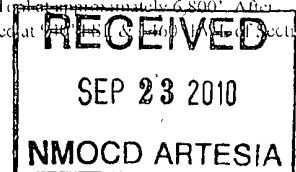
Yates Petroleum Corporation proposes to set a CBPP at 7400' with 35' of cement on top. The well will be secured with a starting head with a cap. The pulling unit will then move off. Drilling rig will move on and nipple up 3000# BOP system and set whipstock plug to kick off with a 6 1/8" hole at approximately 7030'. The 6 1/8" hole will be drilled at 12 1/100" to 10932' MD(7555' TVD) where 4 1/2" casing will be set and cemented up to the DV. Upon completion, the 4 1/2" will be cut and pulled at 6800'. Penetration point of the producing zone will be encountered at 940' and 6 1/8" hole will be set at 36-19S-24E. Deepest TVD in the lateral will be 7555'.

Mud Program: From 7030' to 10932' with cut brine with a weight of 8.9-9.3 and water loss of <=15.

BOP: A3000 psi system nipple up on the 9 5/8" casing.

H2S: H2S is not anticipated in this well.

Average well be added at completion
Change Prop. name & code at recompletion.



23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature Clifton May	Approved by RD Dade	Title DIST # Supervisor	
Printed name Clifton May	Approval Date OCT 18 2010	Expiration Date 10/18/2011	
Title Land Regulatory Agent	E-mail Address Clift1@yatespetroleum.com		
Date 9/20/2010	Phone 748-4347	Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-26185	² Pool Code 15472	³ Pool Name North Dagger Draw Upper Penn
⁴ Property Code 20903	⁵ Property Name DEE 36 SE State Com	⁶ Well Number H 2
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3621

¹⁰ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	36	19S	24E		940	S	940	W	Eddy

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
P	36	19S	24E		940	S	660	E	Eddy

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Clifton May</u> Date: <u>9/20/10</u> Printed Name: <u>Clifton May</u> E-mail Address: <u>cliff@yatespetroleum.com</u>
	¹⁸ 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 of Survey: _____ Signature and Seal of Professional Surveyor: _____ Certificate Number: _____

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. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Conoco, Inc.		Lease Dee State		Well No. 2
Unit Letter M	Section 36	Township 19 South	Range 24 East	County Eddy
Actual Footage Location of Well: 940 feet from the South line and 990 feet from the West line				
Ground level Elev. 3621.0	Producing Formation Cisco Canyon	Pool North Dagger Draw Upper Perm.	Dedicated Acreage: 16.0 Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on this plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communization, unitization, force-pooling, etc.? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation <u>force-pooling</u></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>				
			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
			Signature <i>Timothy R. Foster</i> Printed Name W. W. Baker Position Administrative Supv. Company Conoco Inc. Date December 20, 1989	
			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 December 20, 1989 Professional Engineer NO 676 REGISTERED AND SURVEYOR J. EIDSON, 878 RONALD J. EIDSON, 3239	

WELL NAME: Dee 36 #7H FIELD: _____

LOCATION: 940' FSL & 990' FWL of Section 36-19S-24E Eddy Co., NM

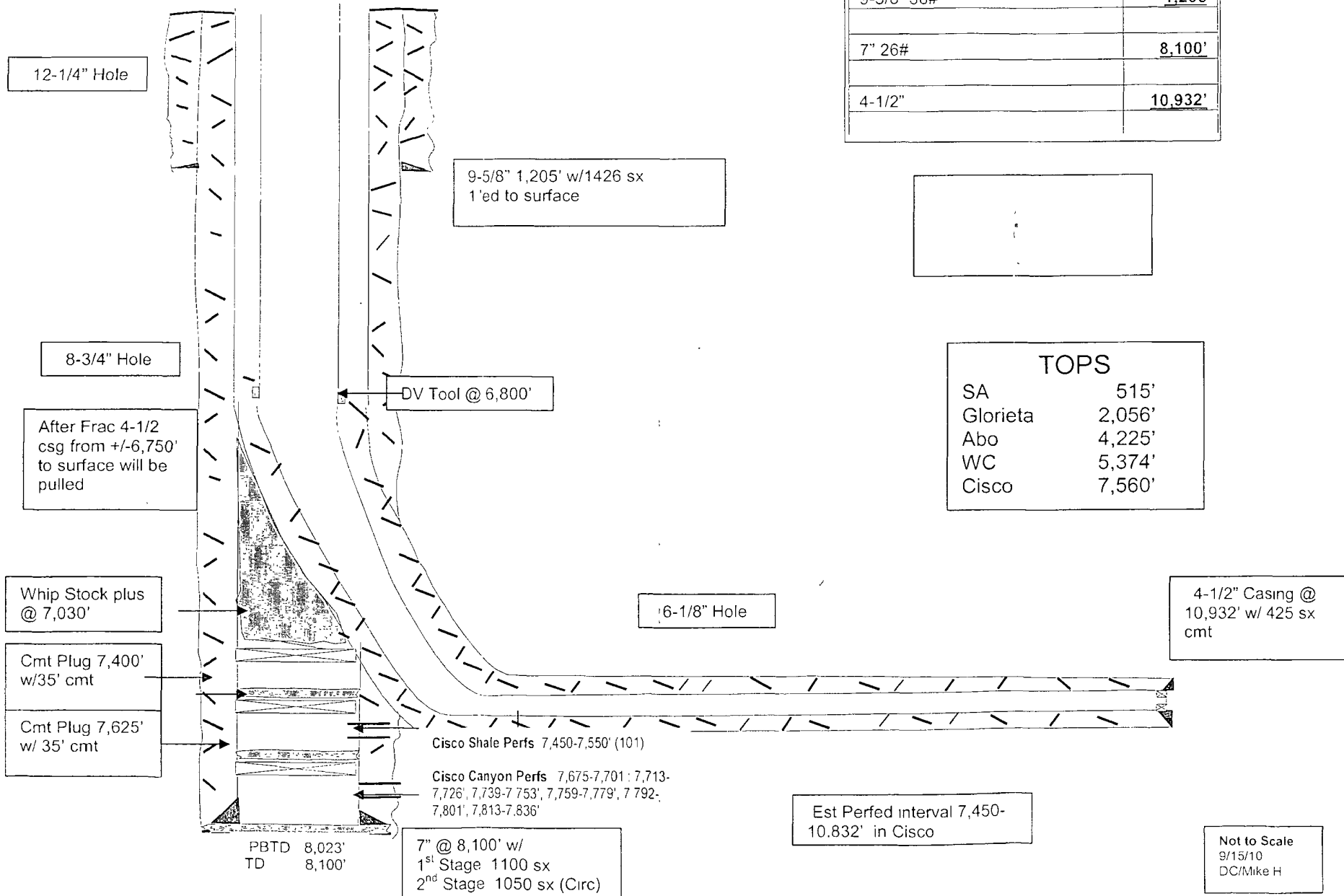
GL: 3,621' ZERO: 14' KB: 3,635'

SPUD DATE: 1/15/90 COMPLETION DATE: _____

COMMENTS: API No.: 30-015-26185

CASING PROGRAM

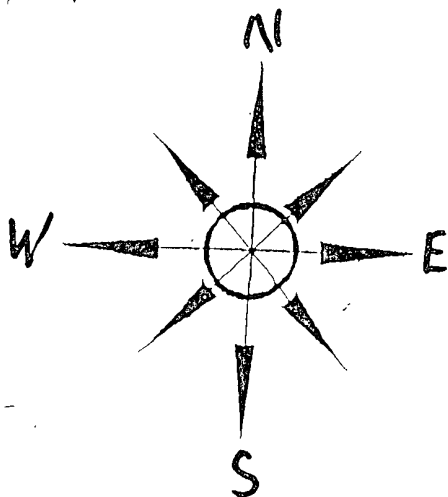
9-5/8" 36#	<u>1,205</u>
7" 26#	<u>8,100'</u>
4-1/2"	<u>10,932'</u>



TOPS

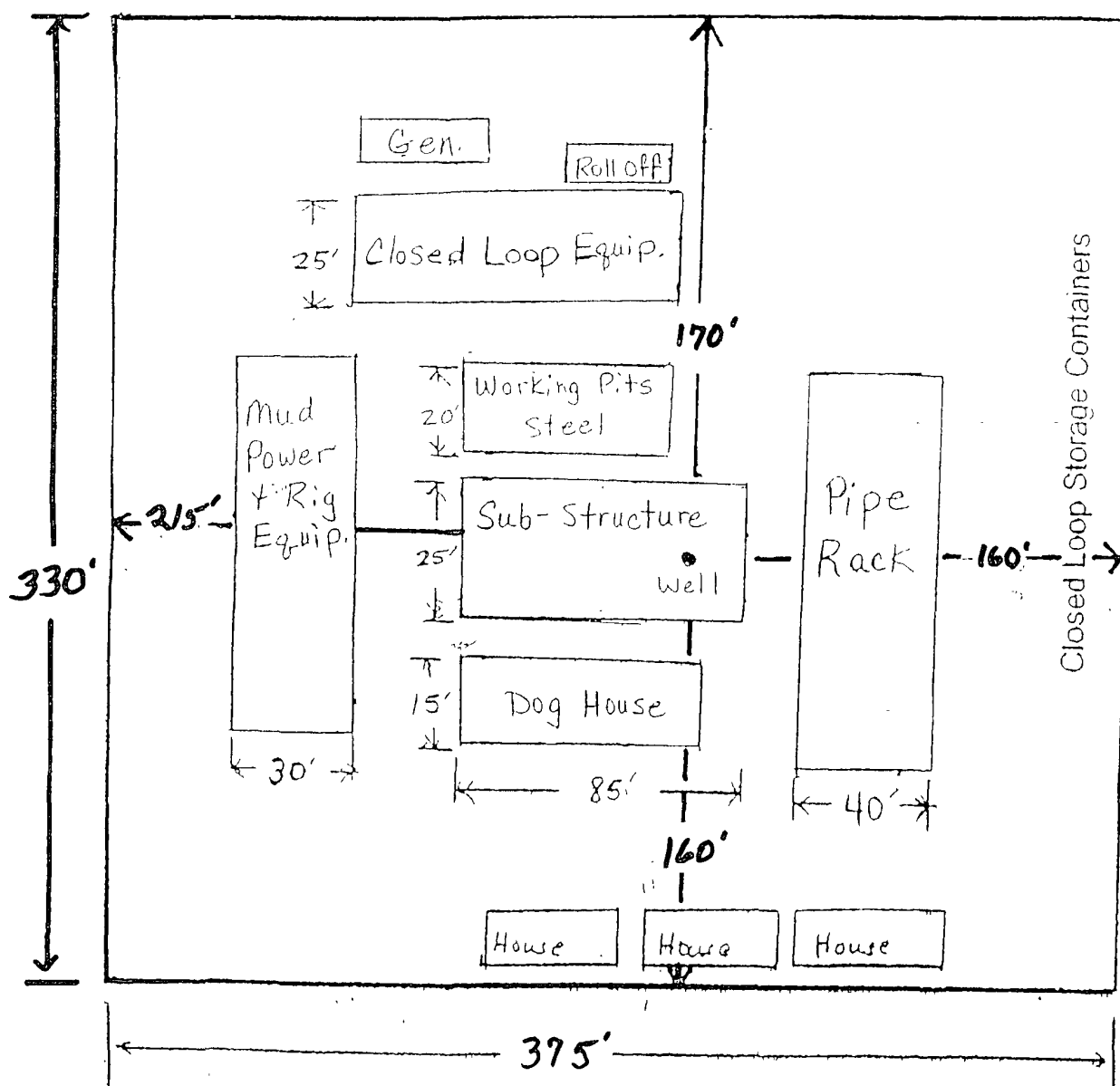
SA	515'
Glorieta	2,056'
Abo	4,225'
WC	5,374'
Cisco	7,560'

Not to Scale
9/15/10
DC/Mike H



Yates Petroleum Corporation
Location Layout for Permian Basin

Closed Loop Design Plan

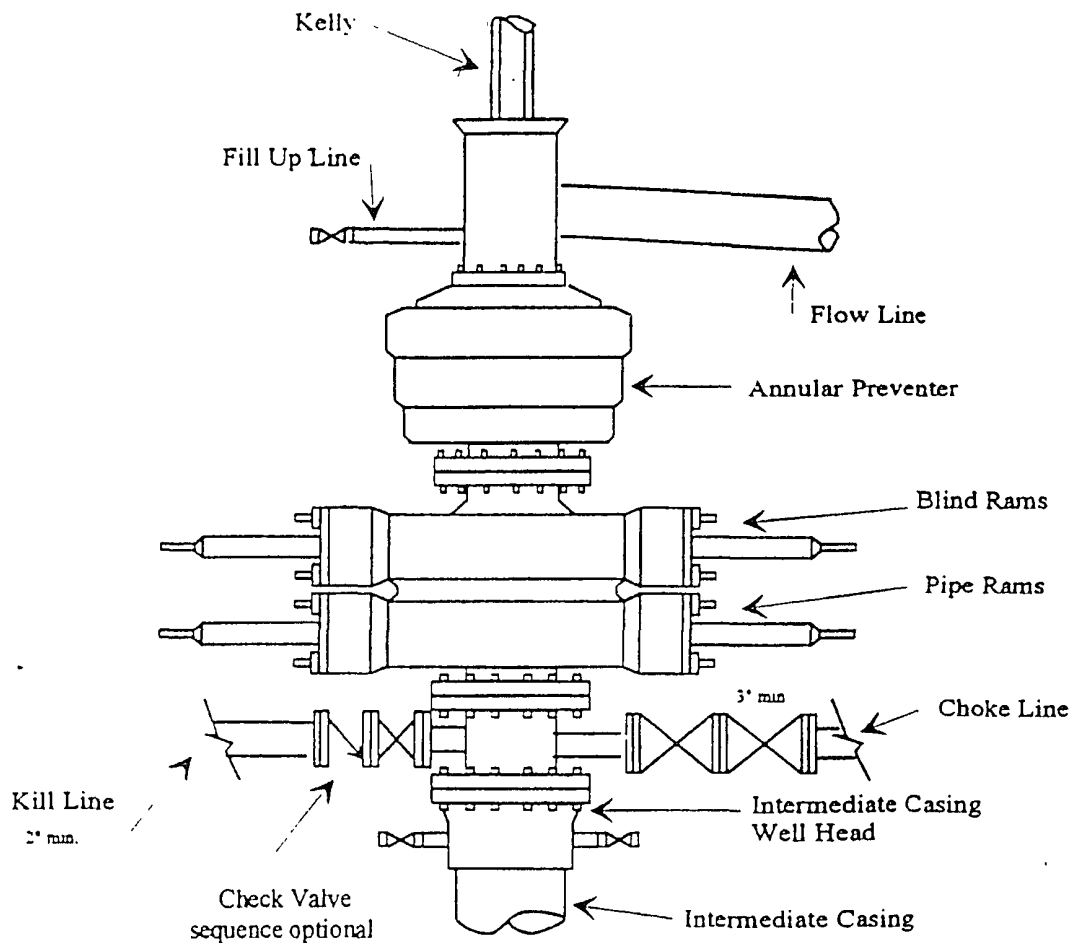




Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features

