

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

Form C-101
May 27, 2004

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-025-01820
⁴ Property Code 15842	⁵ Property Name Lagarto AMZ State	⁶ Well No. 1
⁹ Proposed Pool 1 Sand Springs; Devonian		¹⁰ Proposed Pool 2

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
M	1	11S	34E	M	660	South	660	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

Additional Well Information

¹¹ Work Type Code A	¹² Well Type Code O	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4139'
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Devonian	¹⁹ Contractor N/A	²⁰ Spud Date 22 23 24 25 26 27 28 29 30
Depth to Groundwater N/A		Distance from nearest fresh water well N/A		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls		Drilling Method:		
Closed-Loop System <input checked="" type="checkbox"/>		Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
IN PLACE					

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.

Propose to recomplete as follows:

Drill out cement retainers @ 12218' and 13015' and clean out to 13200'. Perforate Devonian (2 SPF, 90° phasing) 13120-90' w/140 holes and stimulate.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Adding

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: *Stormi Davis*

Printed name: Stormi Davis

Title: Regulatory Compliance Technician

E-mail Address: stormid@ypcnm.com

Date: 10-6-05

Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by:

[Signature]
PETROLEUM ENGINEER

Title: OCT 12 2005

Approval Date:

Expiration Date:

OCD conditions of Approval:

Approval to do work over. CANNOT Produce until Downhole commingle is approved in Santa Fe.

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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 June 10, 2003
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-01820		² Pool Code 54150		³ Pool Name Sand Springs; Devonian	
⁴ Property Code 15842		⁵ Property Name Lagarto AMZ State			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4139' GR

¹⁰ Surface Location

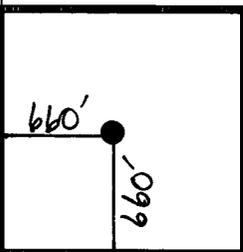
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	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>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature
					Stormi Davis Printed Name Regulatory Compliance Technician Title and E-mail Address stormid@ypcnm.com
					Date 10-6-05
	¹⁸ SURVEYOR CERTIFICATION <i>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.</i>				
					Date of Survey Signature and Seal of Professional Surveyor: Certificate Number