

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-101

Revised March 17, 1999

Instructions on back

Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

DISTRICT II

811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

PO BOX 2088

Santa Fe, NM 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 8750

☐ 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, New Mexico 88210		² OGRID Number 025575
		³ API Number 30- 025-34777
⁴ Property Code 34283	⁵ Property Name Mattea BFA State	⁶ Well No. 2

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
M	35	10S	34E		330	South	330	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					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E & D	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4161'
¹⁶ Multiple No	¹⁷ Proposed Depth 10500'	¹⁸ Formation Bough B	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

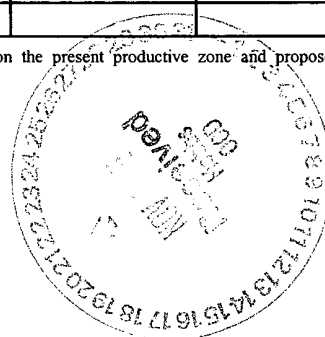
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	391'-in place	425 sx	Surface
11"	8 5/8"	32#	3800'-in place	800 sx	Surface
7 7/8"	5 1/2"	17#	0-10500'	1600 sx	3240'

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 product. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached Sheet

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-Enter



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: <i>Clifton R. May</i>		Approved by: <i>[Signature]</i>	
Printed name: Clifton R. May		Title: PETROLEUM ENGINEER	
Title: Regulatory Agent		Approval Date: NOV 28 2005	
Date: 11/16/05	Phone: (505) 748-4347	Expiration Date:	
		Conditions of Approval Attached <input type="checkbox"/>	

YATES PETROLEUM CORPORATION

Mattea BFA State #2 Re-entry

330' FSL & 330' FWL

Section 35-T10S-R34E

Lea County, New Mexico

Lease VO-6091

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Manzano Oil Corporation as their Sand Springs State Unit #1, which was plugged on August 23, 2000. Yates will use a pulling unit and a reverse unit to drill out the cement plugs using a 7 7/8" bit in the 8 5/8" casing to a plug at approximately 3728'. Test the casing to 500 psi. Circulate hole clean and trip out of hole and rig down pulling unit.

A drilling rig will be moved onto location and the remaining plugs will be drilled out to the original TD of 9222'. The well will be deepened with a 7 7/8" bit to approximately 10500'. New logs will be run. Then, 5 1/2" casing will be run and cemented to approximately 3240' with 1600 sacks. The well will be completed with a pulling unit in the Penn intervals as indicated by the interpretation of the open hole logs by Geology. The mud program will be 9.2 to 9.8 ppg brine water with viscosity of 35-40 cp. A 5,000 psi BOP will be used.

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-102
Revised March 17, 1989
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34777	Pool Code ✓	Pool Name Wildcat
Property Code 34283	Property Name Mattea BFA State	Well Number 2
OGED No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4161'

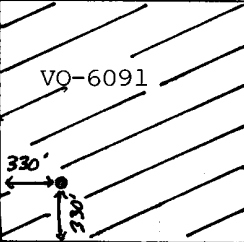
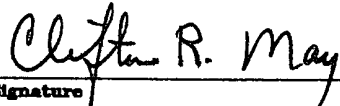
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	35	10S	34E		330	South	330	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 40	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

					<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p> Signature Clifton R. May Printed Name Regulatory Agent Title November 16, 2005 Date</p> <p>SURVEYOR CERTIFICATION</p> <p><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></p> <p>Refer to original plat</p> <p>Date Surveyed Signature & Seal of Professional Surveyor</p> <p>Certificate No.</p>

Well Name: Mattea BFA State No. 2 Field: _____

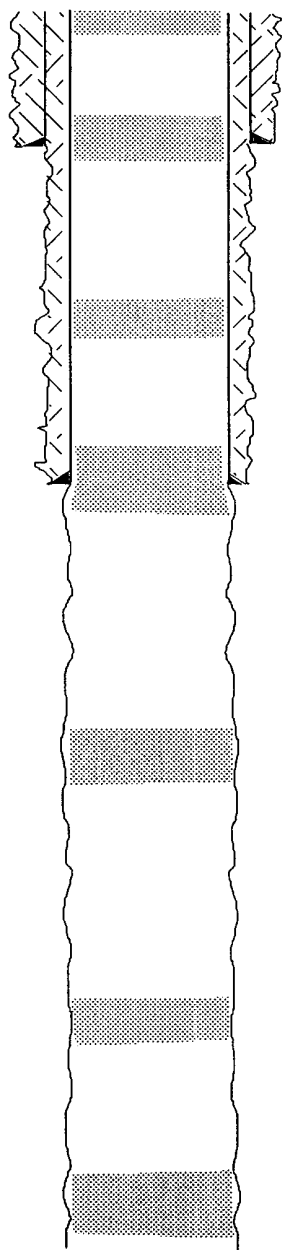
Location: 330' FSL & 330' FWL Sec. 35-10S-34E Lea Co, NM

GL: 4161' Zero: _____ AGL: _____ KB: _____

Spud Date: 12/27/99 Completion Date: 8/23/00

Comments: Re-entry. Drilled as Sand Springs State Unit #1 by Manzano

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48#	391'
8 5/8" 24 & 32#	3800'



10 sx cement plug 30' to surface

13 3/8" csg @ 391'. Cmtd w/ 425 sx. Cmt circ.
35 sx cement plug 441-341'

35 sx cement plug 2260-2160'

8 5/8" csg @ 3800'. Cmtd w/ 800 sx. Cmt circ.
35 sx cement plug 3850'. Spotted 2nd 35 sx plug 3850'-3728' & tagged.

30 sx cement plug 5660-5560'

30 sx cement plug 7170-7070'

50 sx cement plug 9213-9100'

TD 9222'

CURRENT CONFIGURATION

SKETCH NOT TO SCALE

DATE: 11/11/05 Mttea2

Well Name: Mattea BFA State No. 2 Field: _____

Location: 330' FSL & 330' FWL Sec. 35-10S-34E Lea Co, NM

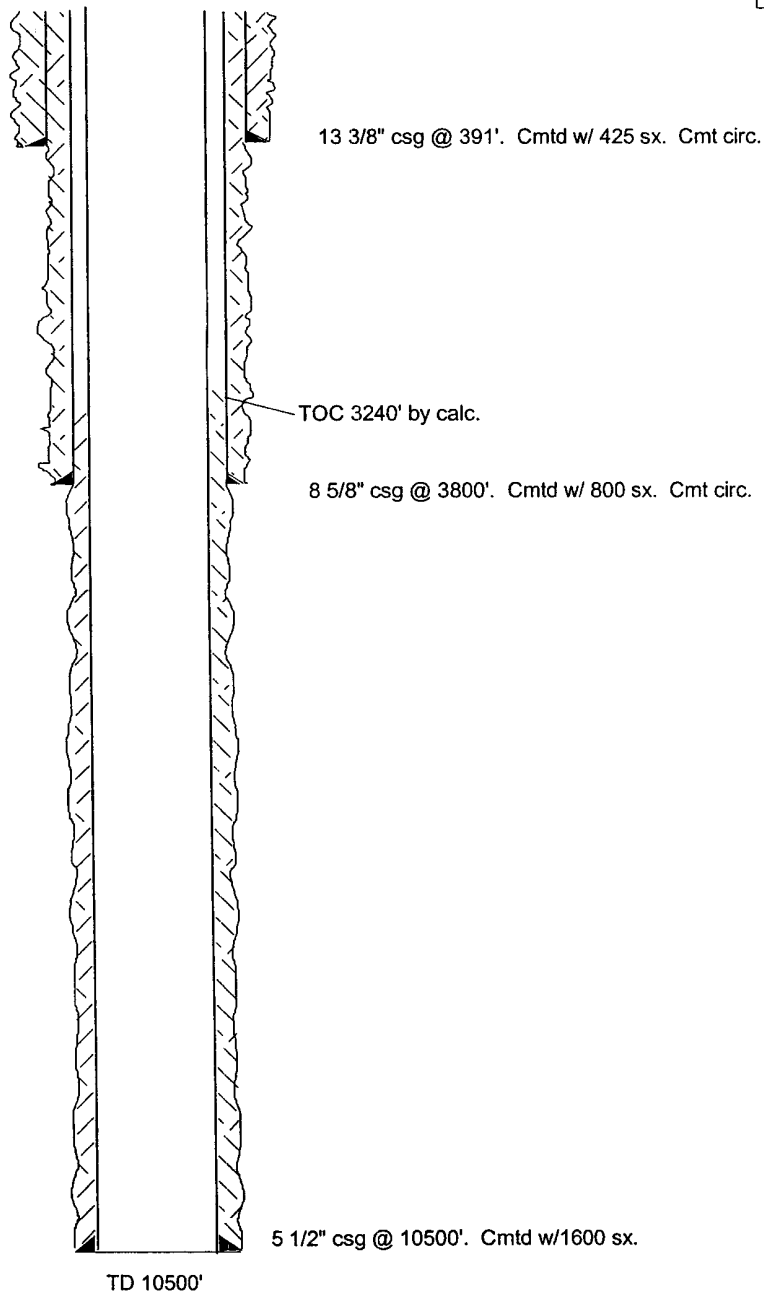
GL: 4161' Zero: _____ AGL: _____ KB: _____

Spud Date: 12/27/99 Completion Date: 8/23/00

Comments: Re-entry. Drilled as Sand Springs State Unit #1 by Manzano

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48#	391'
8 5/8" 24 & 32#	3800'
5 1/2" 17# J55 & L80	10500'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 11/11/05 Mttea2A

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-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 ☒ 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: cliff@ypenn.com

Address: 105 South Fourth Street, Artesia, NM 88210

Facility or well name: Mattea BFA State #2 API #: 30-025-34777 U/L or Qtr/Qtr M Sec 35 T 10S 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 15,000 bbls

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): 40'

Less than 50 feet xxxx

50 feet or more, but less than 100 feet

100 feet or more

(20 points)xxxx

(10 points)

(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

Noxxxx

(20 points)

(0 points)xxxx

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

Less than 200 feet

200 feet or more, but less than 1000 feet

1000 feet or more xxxx

(20 points)

(10 points)

(0 points)xxxx

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 OGD-approved plan ☐.

Date: 11/28/2005

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: NOV 28 2005

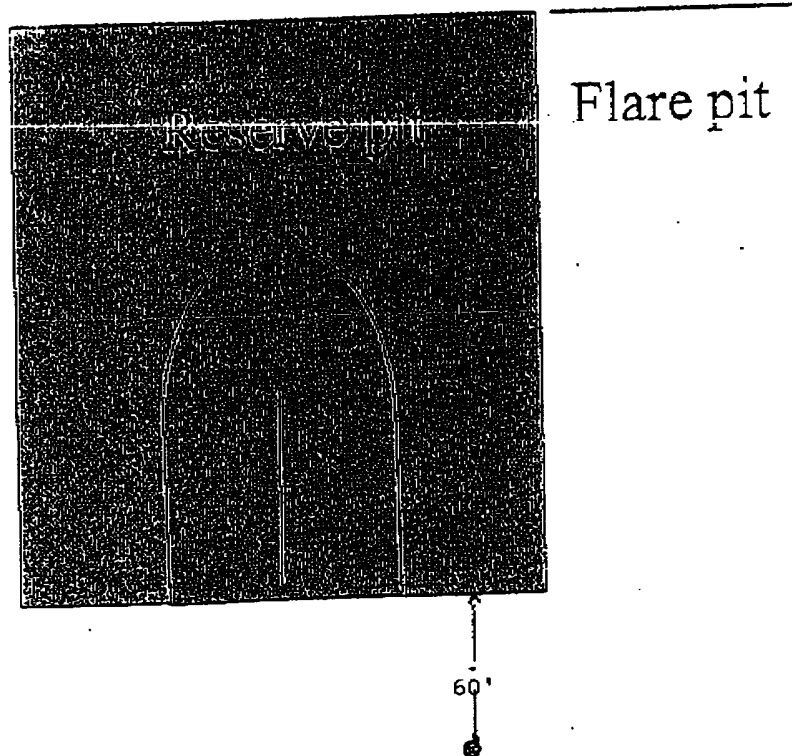
Printed Name/Title:

PETROLEUM ENGINEER

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 120' X 120'
and 6' deep with a capacity of 15,000
bbls.



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