

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 30-025-37402
³ Property Code 34974	⁵ Property Name Ike State Unit	⁶ Well No. 1
⁹ Proposed Pool 1 Ranger Lake; Atoka, North (Gas)		¹⁰ Proposed Pool 2 Ranger Lake Upper Penn Wildcat Swamp
⁹ Proposed Pool 3 Wildcat Wolfcamp		¹⁰ Proposed Pool 4 Wildcat Bough

⁷ Surface Location

UL or lot no. E	Section 30	Township 12S	Range 35E	Lot Idn E	Feet from the 1750	North/South line North	Feet from the 900	East/West line West	County Lea
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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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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4126'
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Mississippian	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater <50'		Distance from nearest fresh water well >1000'		Distance from nearest surface water >1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_ miles thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <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 plug back and recomple as follows:

If it is decided to permanently abandon Mississippian perms, dump 35' cement on composite plug @ 12500'. Set CIBP @ 12250' and dump 35' cement on plug. Perforate Atoka 11997-12002' (30) and stimulate. If production is not adequate, set CIBP @ 11980' and dump 35' cement on plug. Perforate Strawn 11310-11322' (26) and acidize. If production is not adequate, set CIBP @ 11290' and dump 35' cement on plug. Perforate Wolfcamp 11082-11094' (26) and acidize. If production is not adequate, set CIBP @ 11050' and dump 35' cement on plug. Perforate Wolfcamp 10885-10902' (36) and acidize. If production is not adequate, set CIBP @ 10850' and dump 35' cement on plug. Perforate Wolfcamp 10470-10484' (30) and acidize. If production is not adequate, set CIBP @ 10850' and dump 35' cement on plug. Perforate Bough B 10146-10150' (12), 10154-10158' (12) and 10184-10187' (8) and acidize.

Note: Drilling pit is still open.

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 NMOC 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: 2-20-06

Permit Expires 1 Year from Approval Date Unless Drilling Underway Plugback

OIL CONSERVATION DIVISION

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date: MAR 01 2006

Expiration Date:

Conditions of Approval Attached ☐

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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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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 30-025-37402	² Pool Code	³ Pool Name Wildcat Bough
⁴ Property Code 34974	⁵ Property Name Ike State Unit	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4126' GR

¹⁰ Surface Location

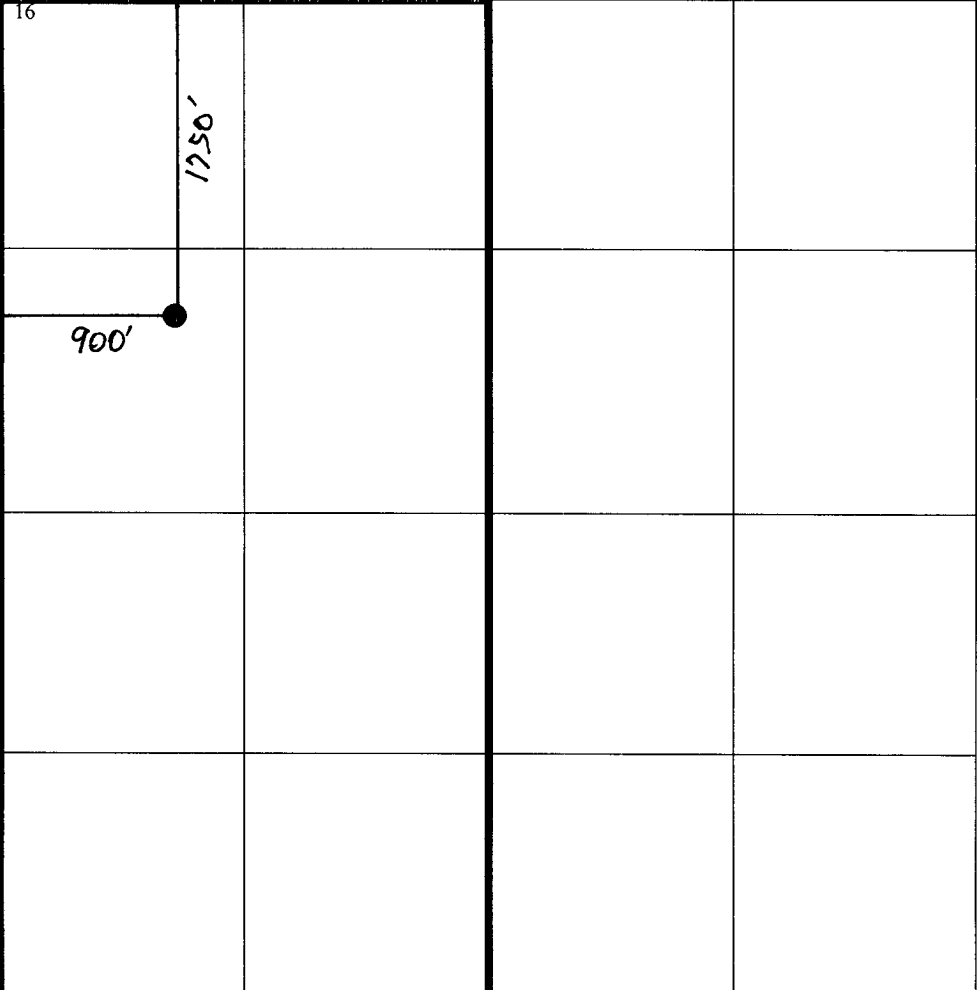

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	30	12S	35E	E	1750	North	900	West	Lea

¹¹ Bottom Hole Location If Different From Surface

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¹² Dedicated Acres 307.72	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 Date 2-20-06	
	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	

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-37402	² Pool Code	³ Pool Name Wildcat Wolfcamp
⁴ Property Code 34974	⁵ Property Name Ike State Unit	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 1
		⁹ Elevation 4126' GR

¹⁰ Surface Location

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-37402	² Pool Code 5D73D	³ Pool Name Ranger Lake Upper Penn Wildcat Strawn
⁴ Property Code 34974	⁵ Property Name Ike State Unit	
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	
		⁶ Well Number 1
		⁹ Elevation 4126' GR

¹⁰ Surface Location

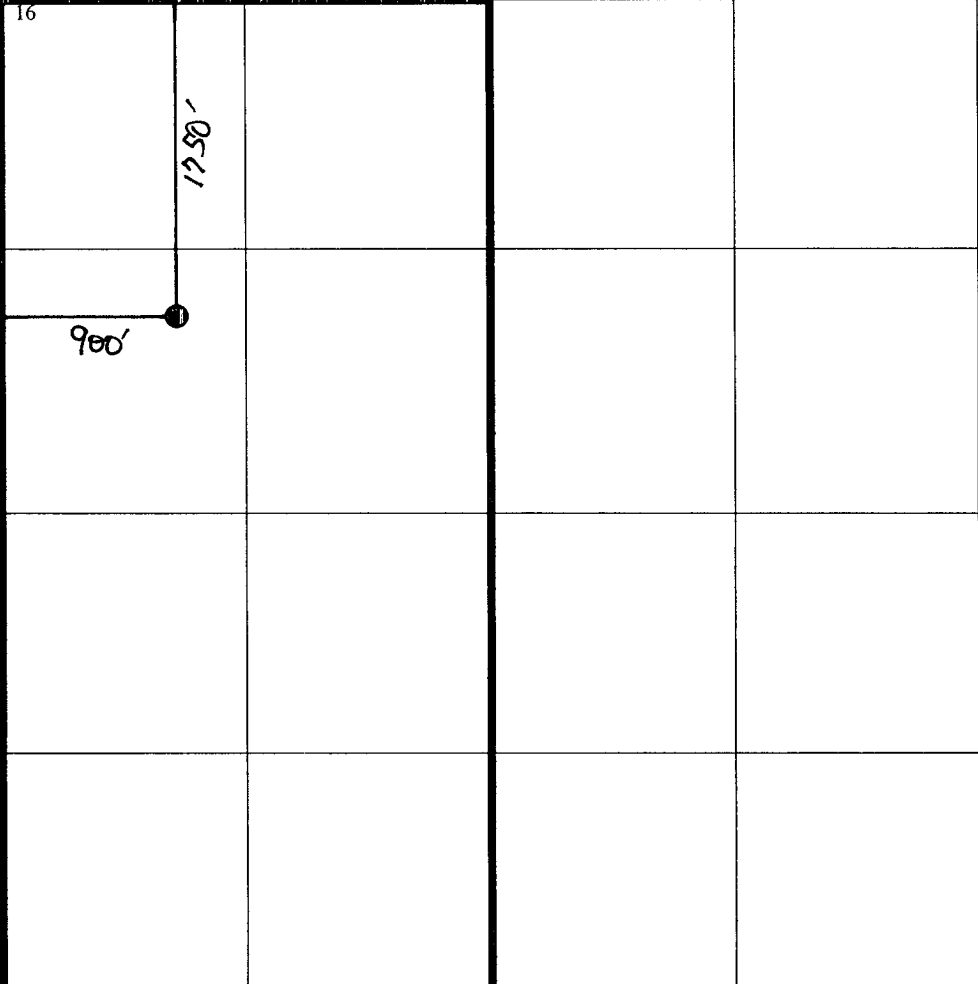

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⁴ Property Code 34974	⁵ Property Name Ike State Unit	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4126' GR

¹⁰ Surface Location

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	Certificate Number			

 The sender of this message has requested a read receipt. [Click here to send a receipt.](#)

Mull, Donna, EMNRD

From: Phillips, Dorothy, EMNRD
To: Mull, Donna, EMNRD
Cc:
Subject: RE: Financial Assurance Requirement
Attachments:

Sent: Wed 3/1/2006 9:08 AM

Donna, Paladin has 9 Inactive wells and it owns 61 wells and they are allowed to have only 2 inactive wells - I am asking Gail about this one also.

Pogo has 719 wells and are allowed 7 wells and they have 15 inactive and are purchasing 23 inactive from Arch but they do not appear on Jane's list. I have asked Gail about Pogo to see if she has contacted them. The system has been updated so that whenever an operator tries to do an operator change if they are out of compliance with Rule 40 a Warning appears that they are out of compliance and to contact me. I refer them either to Gail or Daniel. They let me know when to proceed with the operator change. However, Pogo submitted the name change before this was in place. Will let you know what Gail says. All the rest are okay.

From: Mull, Donna, EMNRD
Sent: Wednesday, March 01, 2006 7:42 AM
To: Phillips, Dorothy, EMNRD
Subject: Financial Assurance Requirement

Dorothy, These Operators have Intent to drill in District 1 for approval:

Trilogy Operating Inc, (21602)
Range Operating New Mexico Inc. (227588)
Marbob Energy Corp. (14049)
Paladin Energy Corp. (164070)
Energen Resources Corp (162928)
Marathon Oil Co. (14021)
BTA Oil Producers (3002)
Northstar Operating Co. (152527)
EverQuest Energy Corp (212929)
Yates Petroleum Corp (35575)
Arch Petroleum Inc, (962)
Chevron USA Inc (4323)
Pogo Producing Co. (17891)

Please check if the Financial Assurance Requirements are OK for these operators to drill. Thanks Donna