

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

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

PO BOX 2088

Santa Fe, NM 87504-2088

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

☐ 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- 025-29791
⁴ Property Code 32597	⁵ Property Name Reese BDE State Com.	⁶ Well No. 1

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
J	13	12S	34E		1980	South	1980	East	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
Four Lakes; ⁹ Proposed Pool 1 Austin, South Wildcat Mississippian ¹⁰ Proposed Pool 2									

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4132.6'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,500'	¹⁸ Formation Mississippian	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"	54.5#	430'-in place	420 sx	Circulated
12 1/4"	8 5/8"	32#	4197'-in place	2250 sx	Circulated
7 7/8"	5 1/2"	17# & 20#	12,500'	900 sx	TOC-8500'

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 production. 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-entry

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Clifton R. May

Printed name: Clifton R. May

Title: Regulatory Agent

Date:

07/24/03

Phone:

(505) 748-1471

OIL CONSERVATION DIVISION

Approved by:

PETROLEUM ENGINEER

Approval Date:

JUL 24 2003

Expiration Date:

Conditions of Approval

Attached ☐

YATES PETROLEUM CORPORATION

Reese BDE State Com. #1 Re-entry

1980' FSL & 1980' FEL

Section 13-T12S-R34E

Lea County, New Mexico

Lease E-1313

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Apache Corporation as their State QE "13" #2, which was plugged in 1987. 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. At that point a drilling rig will be moved in and the plugs in the 7 7/8" open hole will be drilled out to the original TD of 10,555'. Then the well bore will be drilled deeper to a new TD of 12,500'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 5 1/2" production casing to TD and will be cemented with approximately 900 sacks of cement to bring the cement top up to 8,500'+/-. The mud program to be used will be 8.5-10 ppg cut brine with salt gel and starch. A 5000# BOPE will be installed on the 8 5/8" casing.

The well will be completed using a pulling unit. The Mississippian formation or the Morrow will be the main target for completion.

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

State Lease - 4 Copies
 Fed Lease - 3 Copies

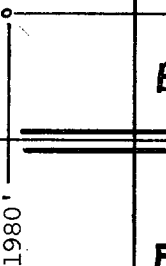
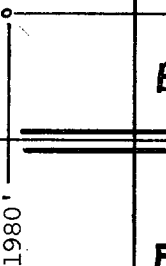
Santa Fe, New Mexico 87504-2088

☐ **AMENDED REPORT**

API Number 30-025-29791		Pool Code 97164	Pool Name FOUR LAKES, Wildcat Mississippian
Property Code 32597	Property Name Reese BDE State Com.		Well Number 1
OGHD No. 025575	Operator Name Yates Petroleum Corporation		Elevation 4132.6'

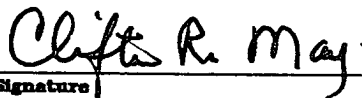
UL or lot No.	Section	Township	Range	Lot lin	Feet from the	North/South line	Feet from the	East/West line	County
J	13	12S	34E		1980	South	1980	East	Lea

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320 E/2	Joint or Infill	Consolidation Code			Order No.				

		V- 5873	
		<div style="display: flex; align-items: center; justify-content: center;"> <div style="text-align: right; margin-right: 10px;">1980'</div> <div style="text-align: center;">  </div> </div>	E-1313
		<div style="display: flex; align-items: center; justify-content: center;"> <div style="text-align: right; margin-right: 10px;">1980'</div> <div style="text-align: center;">  </div> </div>	E- 9718

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.



Signature

Clifton R. May

Printed Name

Regulatory Agent

Title

July 24, 2003

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.

Refer to original plat

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

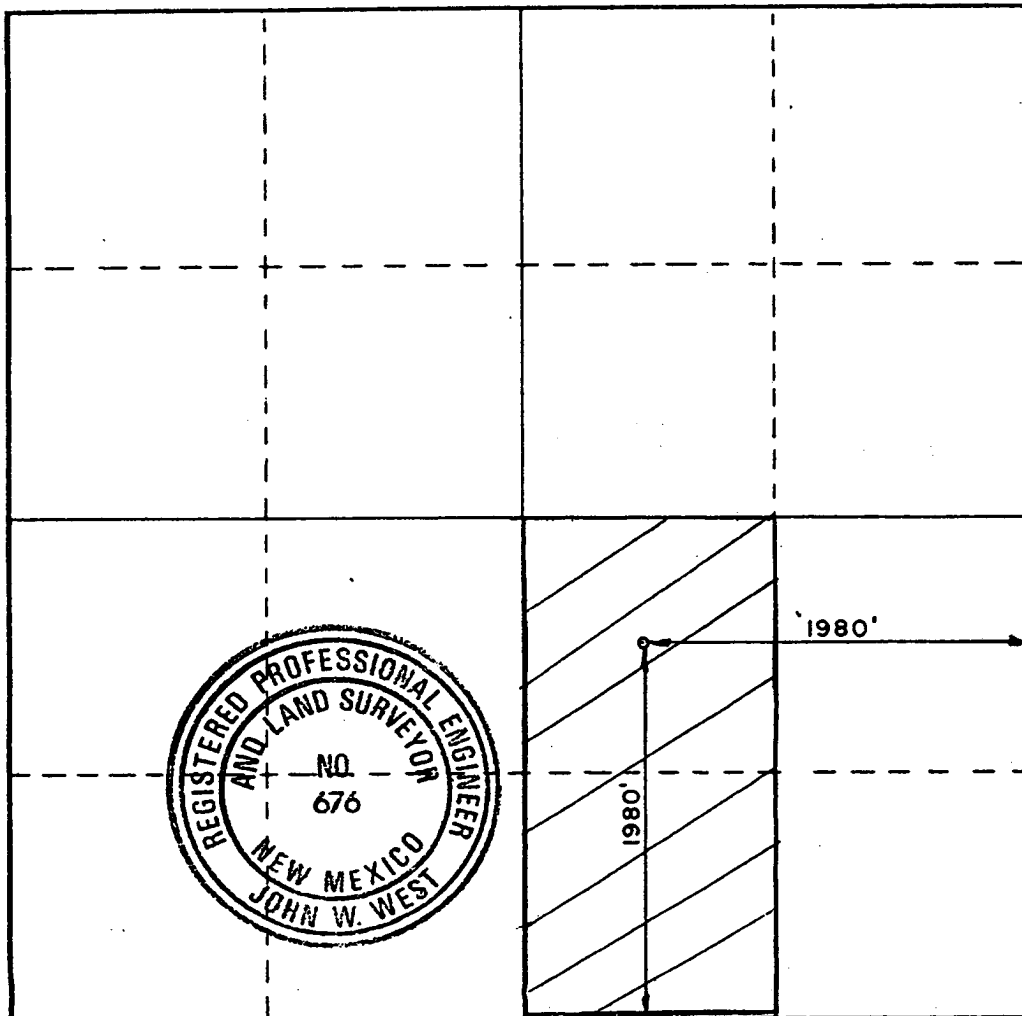
Operator Tenneco Oil Company			Lease State OE 13		Well No. 2
Unit Letter J	Section 13	Township 12 South	Range 34 East	County Lea	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground Level Elev. 4132.6	Producing Formation Pennsylvanian		Pool Ranger Lake	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Gary Fitzsimmons

Position Geologist

Company Tenneco Oil Co.

Date 11/4/86

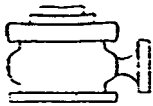
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed October 13, 1986

Registered Professional Engineer and/or Land Surveyor

John W. West

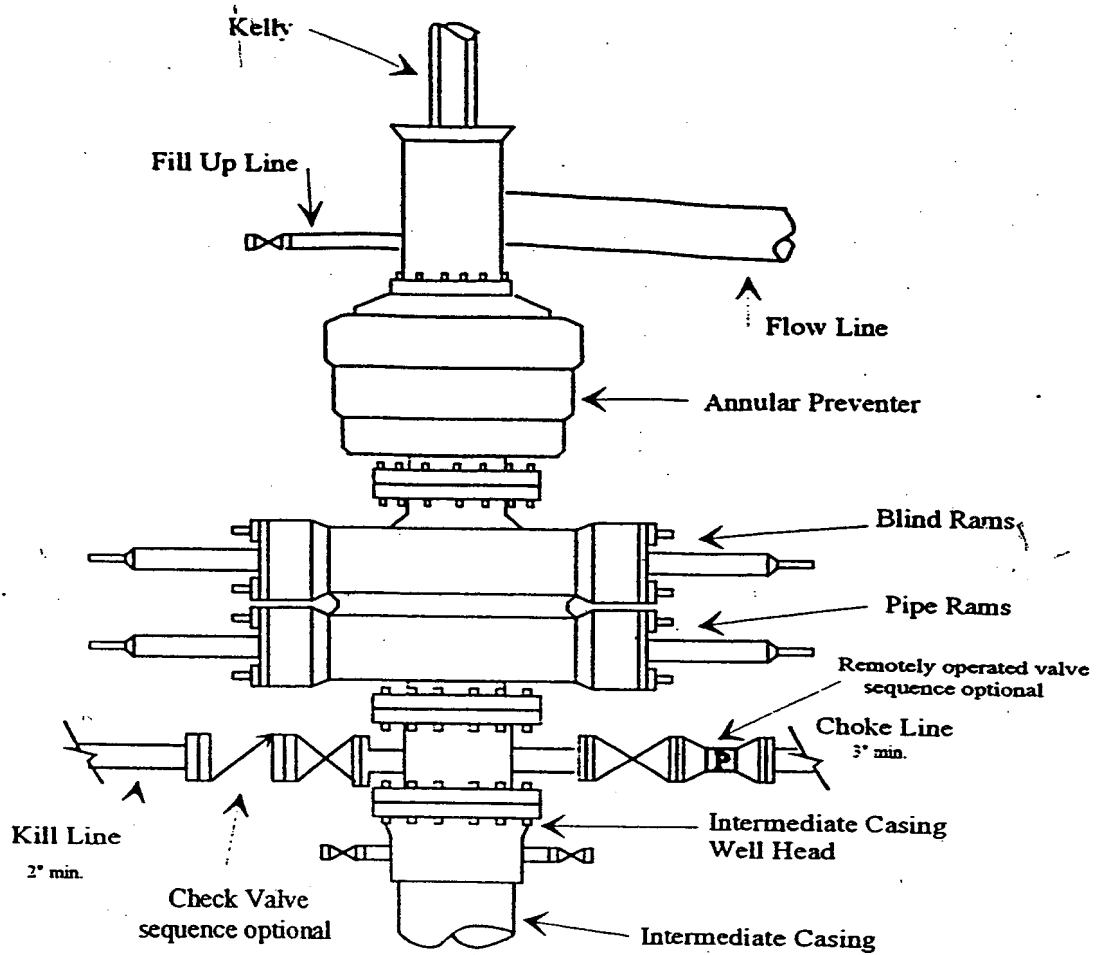
Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239



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

