

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
March 4, 2004

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

RECEIVED
JUN 20 2006
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

OCU-ANTECOM

☐ 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, NM 88210		² OGRID Number 025575 API Number 30 - 005 - 21136
³ Property Code 33104	⁴ Property Name Mangas BDM State	⁵ Well No. 1

⁷ Surface Location

UL or lot no. P	Section 28	Township 8S	Range 32E	Lot Idn	Feet from the 330	North/South line South	Feet from the 330	East/West line East	County Chaves
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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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⁹ Proposed Pool 1
Wildcat Canyon

¹⁰ Proposed Pool

Drilling Pit Location and Other Information

UL or lot no. P	Section 28	Township 8S	Range 32E	Lot Idn	Feet from the 330	North/South line South	Feet from the 330	East/West line East	County Chaves
Depth to ground water 100' or more				Distance from nearest fresh water well More than 1000'		Distance from nearest surface water More than 1000'			
¹¹ Work Type Code E		¹² Well Type Code O		¹³ Cable/Rotary Pulling Unit		¹⁴ Lease Type Code S		¹⁵ Ground Level Elevation 4378'	
¹⁶ Multiple N		¹⁷ Proposed Depth 11186'		¹⁸ Formation Cisco/Canyon		¹⁹ Contractor Not Determined		²⁰ Spud Date ASAP	

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	430'	415 sx	In Place
12 3/4"	8 5/8"	32#	3540'	1215 sx	In Place
7 7/8"	5 1/2"	20#	11186'	850 sx	7500'

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.

See Attached Page 2

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. I further certify that the drilling pit will be constructed according to NMOC guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: <i>Debbie L. Caffall</i>		Approved by: <i>[Signature]</i>	
Printed name: Debbie L. Caffall		Title: PETROLEUM ENGINEER	
Title: Regulatory Agent / Land Department		Approval Date: AUG 02 2006	
E-mail Address: debbiec@ypcn.com		Expiration Date:	
Date: 6/16/2006	Phone: (505) 748-4376	Conditions of Approval: Attached <input type="checkbox"/>	

YATES PETROLEUM CORPORATION

Mangas BDM State #1 Re-entry

330' FSL & 330' FWL

Section 28-T8S-R32E

Chaves, New Mexico

Lease # VA-2705

Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Apache Corporation as the State 28 No. 1 well. The well was plugged and abandoned on 6/5/1995. Yates plans to use a pulling unit and a reverse unit to drill out the cement plugs in the 8 5/8" casing to 3500', then continue in hole drilling out plugs in the 7 7/8" open hole to the original TD @ 11,186'. At that point, 5 1/2" casing will be run and cemented to approximately 7500' with +/- 850 sx. The well will be completed with a pulling unit in the Canyon/Cisco @ 9445' and/or Bough @ 8550' to 9100'. The mud program will be 9.2 – 9.5 ppg brine water with viscosity of 55-70 cp. A 3000# BOPE will be installed on the 8 5/8" casing.

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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 August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name Wildcat Canyon	
⁴ Property Code 33104		⁵ Property Name Mangus BDM State			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name YATES PETROLEUM CORPORATION			⁹ Elevation 4378'

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
P	28	8S	32E		330	South	330	EAST	Chaves

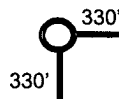
¹¹ Bottom Hole Location If Different From Surface

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 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					<p>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></p> <p>Signature</p> <p>Debbie L. Caffall Printed Name</p> <p>REGULATORY AGENT/LAND DEPARTMENT</p> <p>Title</p> <p>6/09/2006 Date</p> <p>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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>



District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-102

Revised August 15, 2000

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies



AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-005-21136	² Pool Code ✓	³ Pool Name Wildcat Canyon
⁴ Property Code 33104	⁵ Property Name Mangas BDM State	⁶ Well Number 1
⁷ OGRID No. 025575 OK	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4378'

¹⁰ Surface Location

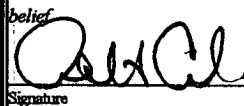
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	28	8S	32E		330	South	330	East	Chaves

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 320 4/2	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		VA-2705		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Robert Asher Printed Name Regulatory Agent Title 7/1/2004 Date
				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. Date of Survey Signature and Seal of Professional Surveyor: REFER TO ORIGINAL PLAT. Certificate Number

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 3D 005-21136		Pool Code 96E39	Pool Name Childress Fasselmen	
Property Code 16917	Property Name STATE 28			Well Number 1
OGED No. 873	Operator Name APACHE CORP.			Elevation 4364'

Surface Location


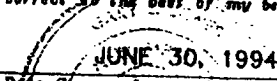
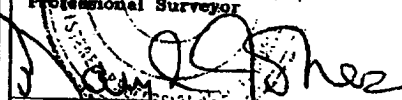
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	28	8 S	32 E		330	SOUTH	330	EAST	CHAVES

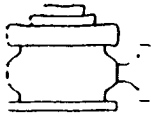
Bottom Hole Location If Different From Surface

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

NO ALLOWABLE WILL BE ASSIGNED TO THIS ORDER

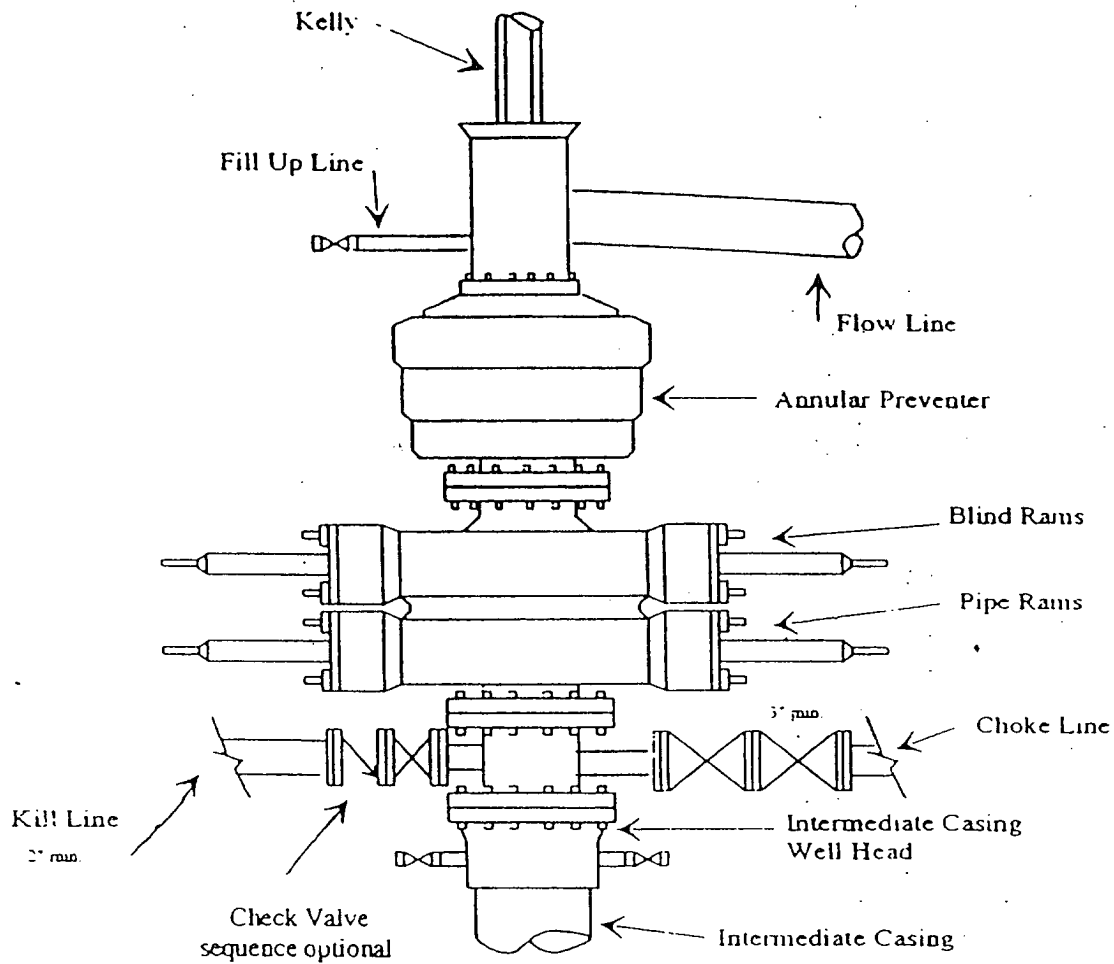
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Douglas H. Adams Printed Name Hely. Eng Tech. Title 03-30-95 Date	
	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 Surveyed Signature & Seal of Professional Surveyor  W.O. Num 94-11-1154 Certificate No. JOHN W. WEST. 676 RONALD J. EIDSON. 3239 GARY L. JONES. 7977	

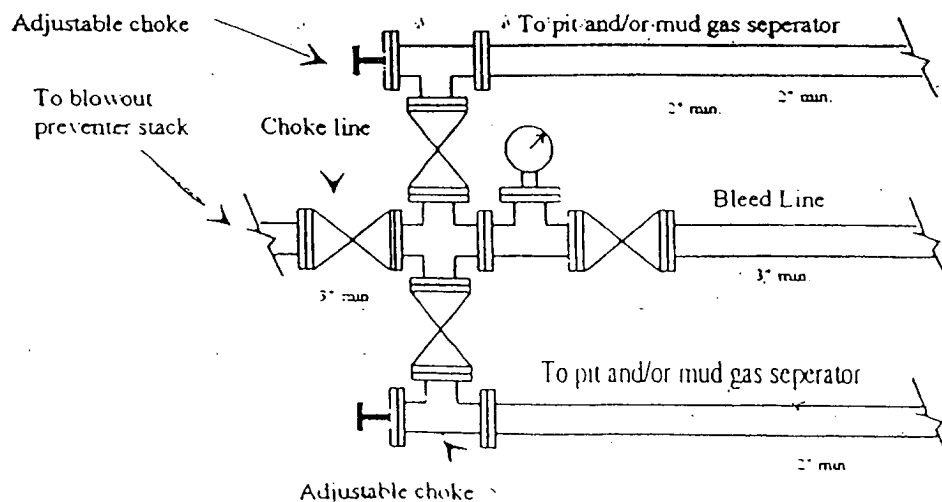


tes Petroleum Corpora Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

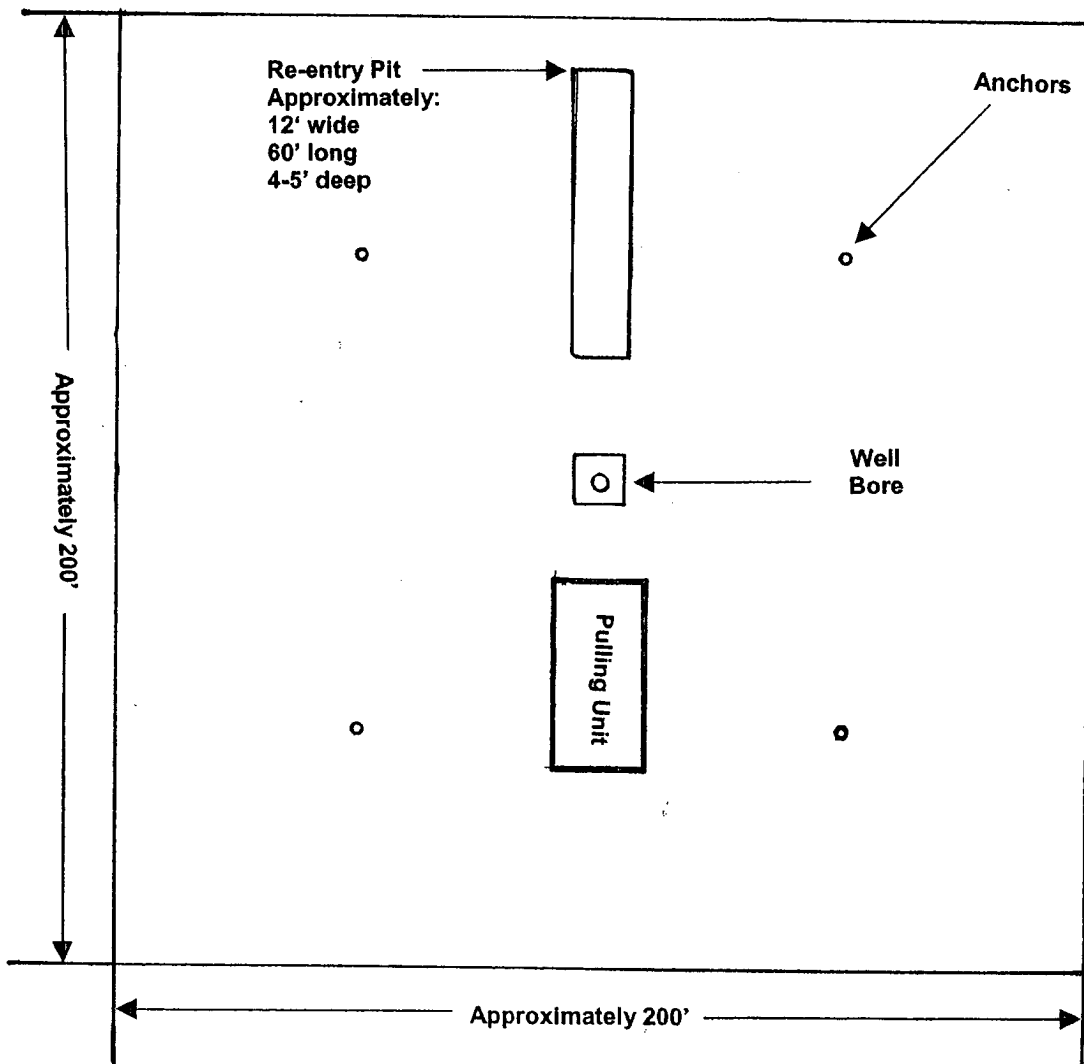
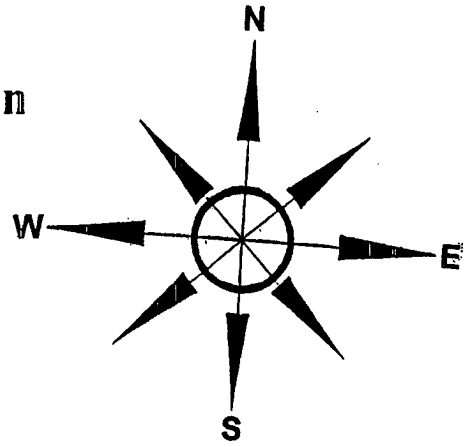
BOP-3



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



Yates Petroleum Corporation



Mangas BDM State #1
330' FSL and 330' FEL
Section 28, T8S-R32E
Chaves County, New Mexico

The re-entry pit will be to the north and 60' north of the well. The pit will be approximately 12' wide and 60' long and 4 to 5' deep. The pit will be lined with a 12 mil liner.

Well Name: State 28 No. 1 Field: _____

Location: 330' FSL & 330' FEL Sec. 28-8S-32E Lea County, NM

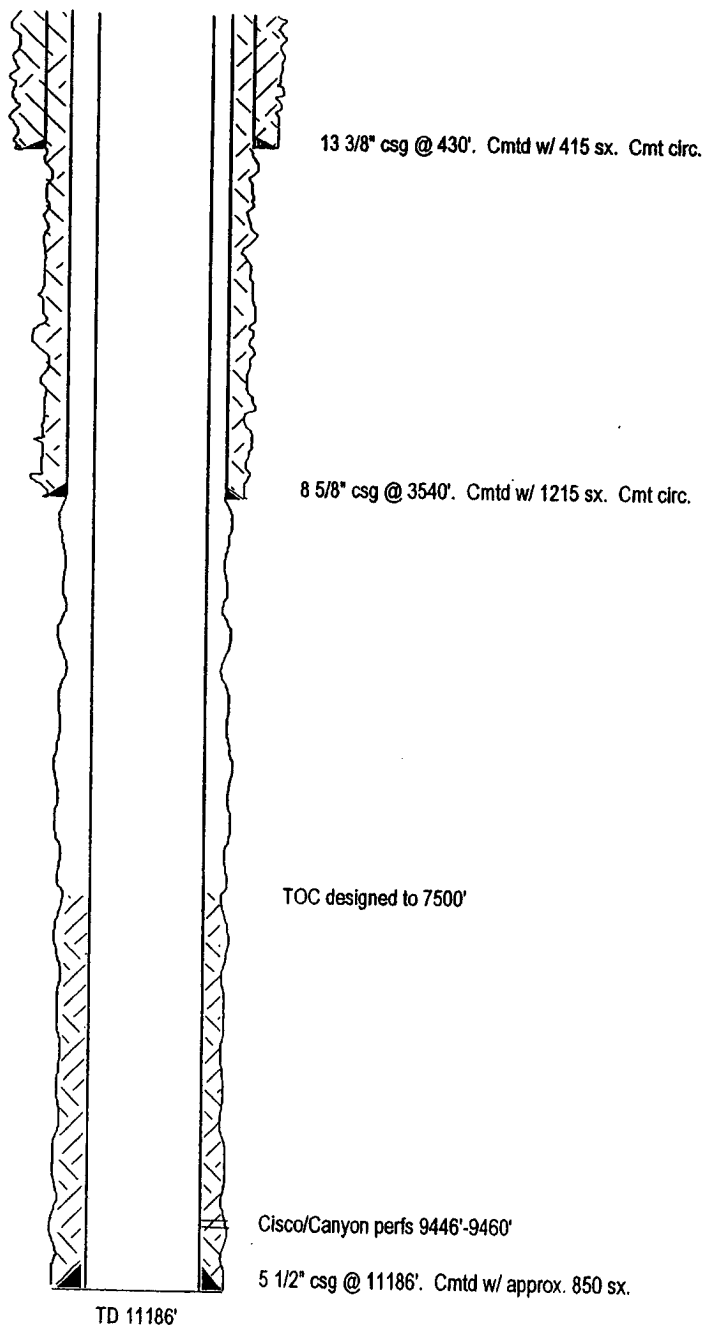
GL: 4378' Zero: _____ AGL: _____ KB: 4364'

Spud Date: _____ Completion Date: _____

Comments: Well originally drilled by Apache Corp. D&A'd in 6/95

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# H40	430'
8 5/8" 32# K55	3540'
5 1/2" 17 & 20# N80 & J55	11186'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 10/20/03

Well Name: State 28 No. 1 Field: _____

Location: 330' FSL & 330' FEL Sec. 28-8S-32E Lea County, NM

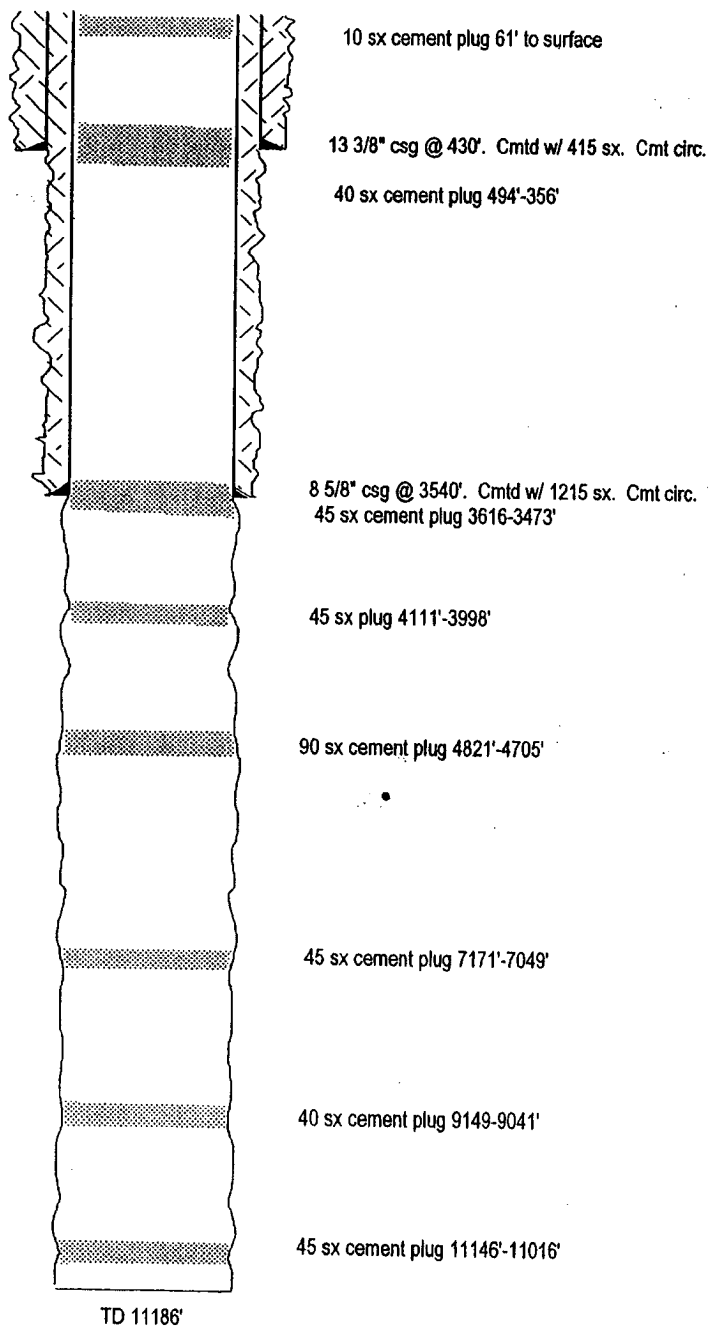
GL: 4378' Zero: _____ AGL: _____ KB: 4364'

Spud Date: _____ Completion Date: _____

Comments: Well originally drilled by Apache Corp. D&A'd in 6/95

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# H40	430'
8 5/8" 32# K55	3540'

CURRENT CONFIGURATION



SKETCH NOT TO SCALE

DATE: 10/20/03

Sh Dr., Hobbs, NM 88240

Grand Avenue, Artesia, NM 88210

to Brazos Road, Aztec, NM 87410

et IV
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 ☒ CheckBox1

of action: Registration of a pit or below-grade tank ☐ Closure of a
pit or below-grade tank ☐

erator: Yates Petroleum Corporation Telephone: 505-748-1471 e-mail address: debbiec@ypcnm.com
Address: 105 South Fourth Street, Artesia, NM 88210

ility or well name: Mangas BDM State #1 API #: _____ U/L or Qtr/Qtr P Sec 28 T 8S R 32E
ounty: Chaves Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☒ State ☐ Private ☐ Indian ☐

Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Used <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume _____ bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
	Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (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 (20 points) No (0 points)	
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)	
Ranking Score (Total Points) 0		

(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 OCD-approved plan ☒.

Intended Name/Title: Robert Asher/Regulatory Agent Signature: _____

My 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:

Signature: _____

Intended Name/Title: _____

PETROLEUM ENGINEER

Signature: _____

JUL 01 2005