

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 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30 - 025 - 01867
⁵ Property Code 29060	⁴ Property Name Mocha State Unit	⁶ Well No. #3
⁹ Proposed Pool 1 Wildcat Mississippian		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
B	35	12S	34E		554	North	2086	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

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4139'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,300'	¹⁸ Formation Mississippian	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater: less than 50'		Distance from nearest fresh water well: More than 1000'		Distance from nearest surface water: 1000' or more
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 24,000 bbls Drilling Method:				
Closed-Loop System <input type="checkbox"/> 10 ranking Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.375"	48#	450'-in place	500	0
12.25"	8.625"	32#	2700-4280'-in place	2005	0
12.25"	8.625"	48#	0-2700'	900	
8.75"	5.5"	17#	12300'	2300	TOC 3700'

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 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. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Printed name: Clifton R. May

Title: Regulatory Agent

E-mail Address: cliff@ypcnm.com

Date: August 25, 2006

Phone: (505) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: AUG 30 2006

Expiration Date:

Conditions of Approval Attached ☐



PETROLEUM ENGINEER

YATES PETROLEUM CORPORATION

Mocha State Unit # Re-entry

554' FNL & 2086' FEL

Section 35-T12S-R34E

Lea County, New Mexico

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by L. R. French as their Lone Ranger #1, which was plugged in 1960. Yates will use a pulling unit and a reverse unit to drill out the cement plug at the surface and a plug at 400' in the 13 3/8" casing. The intermediate casing will be splice back together and cemented to surface. The pulling unit will clean out the 8 5/8" casing to the plug at 4200'. A drilling rig will be moved in and clean out the 7 7/8" open hole to the original TD of 10,425'. Then the well bore will be drilled deeper to a new TD of 12,300'. 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 2300 sacks of cement to bring the cement top up to 3,700'+/-. The mud program to be used will be 9.2-9.8 ppg cut brine with viscosity of 35-40 cp. A 3000# BOPE will be installed on the 13 3/8" 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 30-025-0867	² Pool Code	³ Pool Name Wildcat Mississippian
⁴ Property Code 29060	⁵ Property Name Mocha State Unit	⁶ Well Number 3
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4139'

¹⁰ Surface Location

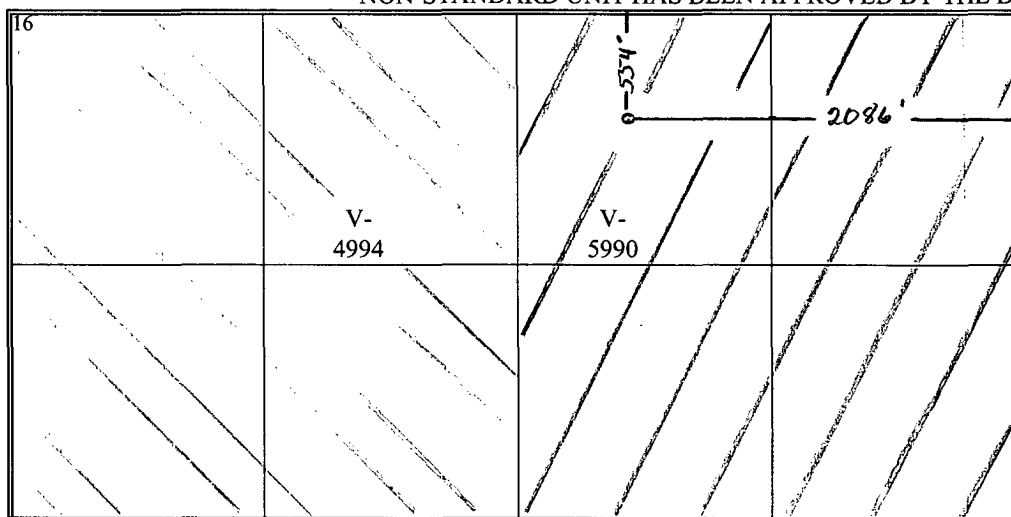
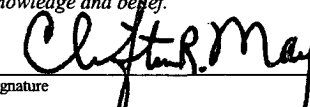
UL or lot no. B	Section 35	Township 12S	Range 34E	Lot Idn	Feet from the 554	North/South line North	Feet from the 2086	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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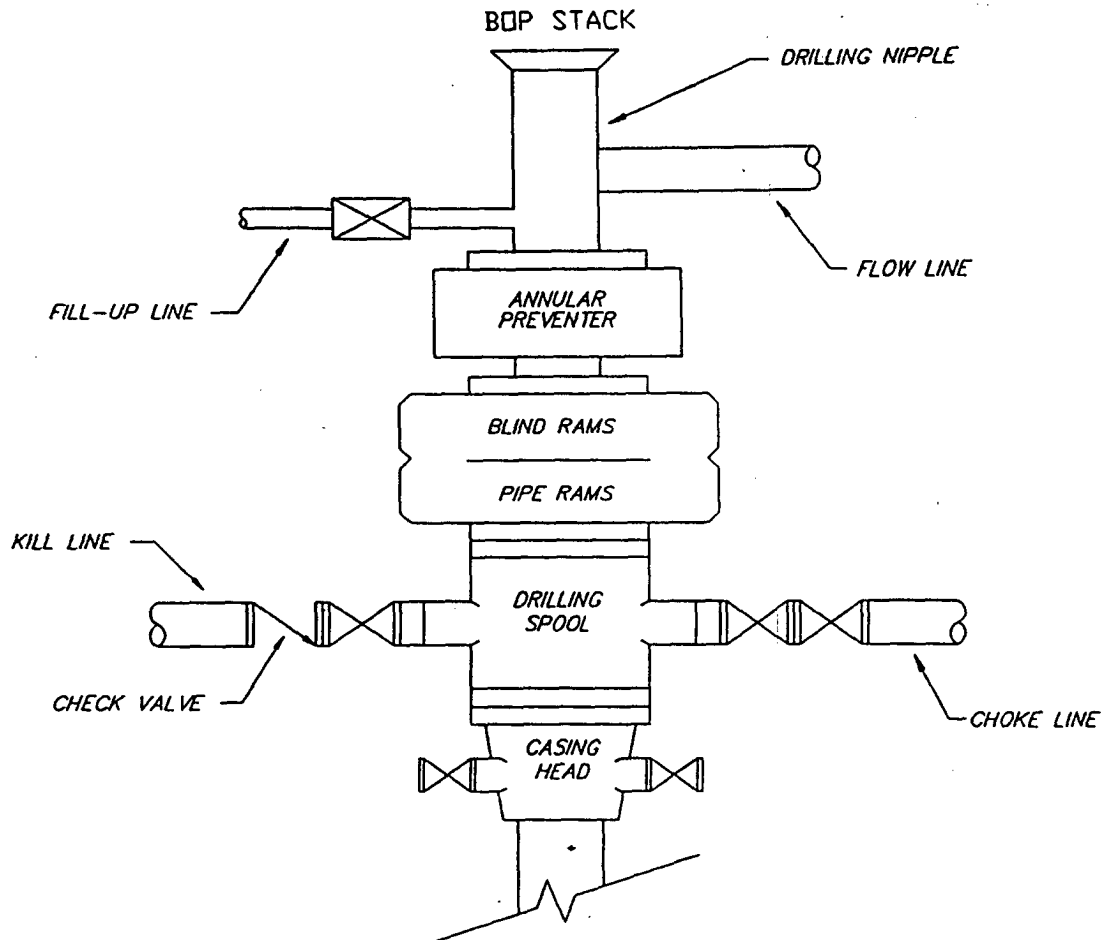
¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

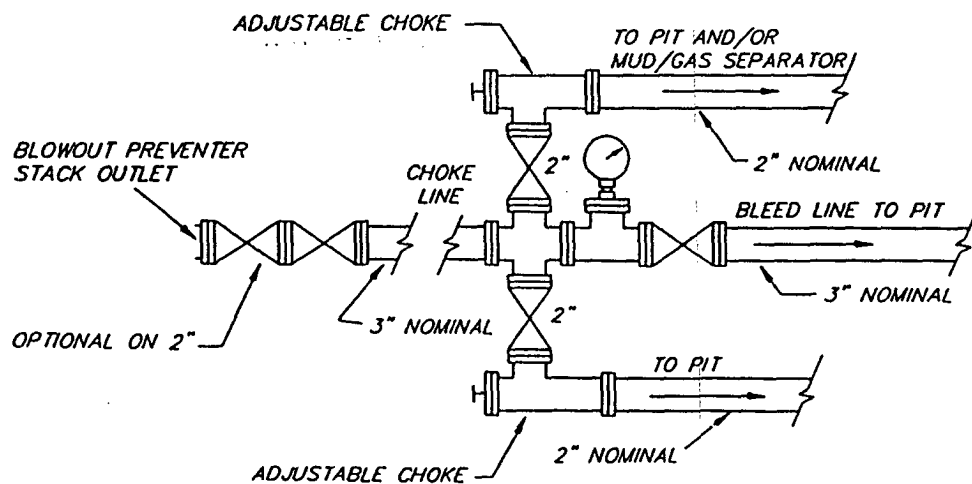
¹⁶		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Clifton R. May Printed Name Regulatory Agent Title August 25, 2006 Date
		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown 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. See Original Plat Date of Survey Signature and Seal of Professional Surveyor: See Original Plat

YATES PETROLEUM CORPORATION

TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



Well Name: Mocha State Unit No. 3 Field: _____

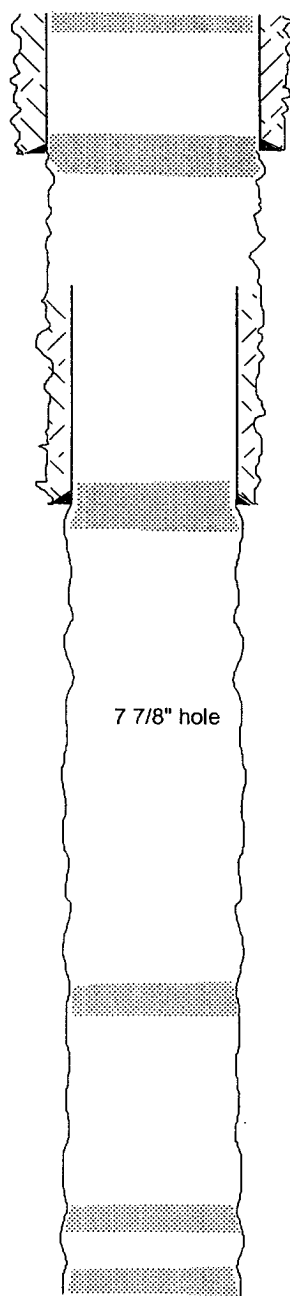
Location: 554' FNL & 2086' FEL Sec. 35-12S-34E Lea Co, NM

GL: 4139' Zero: _____ AGL: _____ KB: _____

Spud Date: _____ Completion Date: _____

Comments: Re-entry of L. R. Frech, Jr. Lone Ranger #1. D&A 5/18/60

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48#	425'
8 5/8" 32#	4250'



10 sx cement plug at surface.

13 3/8" csg @ 425'. Cmtd w/ 400 sx. Cmt circ.
25 sx cement plug @ 400'

8 5/8" csg cut and pulled from 2700'

8 5/8" csg @ 4250'. Cmtd w/ 500 sx.
25 sx cement plug @ 4200'

7 7/8" hole

25 sx cement plug 9325-9400'

25 sack cement plug 10117-101374'

50 sx cement plug "at bottom of hole" Top of plug estimated @ 10350'

TD 10425'

CURRENT CONFIGURATION

SKETCH NOT TO SCALE

DATE: 8/21/06 MOCHA3

Well Name: Mocha State Unit No. 3 Field: _____

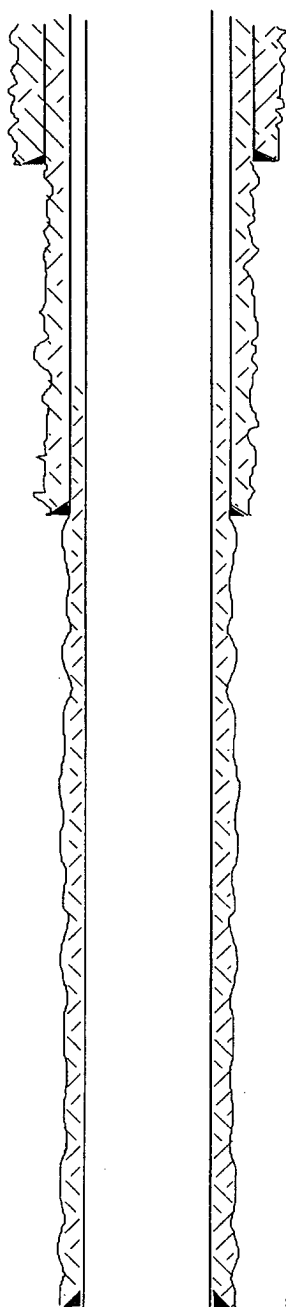
Location: 554' FNL & 2086' FEL Sec. 35-12S-34E Lea Co, NM

GL: 4139' Zero: _____ AGL: _____ KB: _____

Spud Date: _____ Completion Date: _____

Comments: Re-entry of L. R. Frech, Jr. Lone Ranger #1. D&A 5/18/60

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48#	425'
8 5/8" 32#	4250'
5 1/2" 17# J55, L80 & P110	12300'



13 3/8" csg @ 425'. Cmtd w/ 400 sx. Cmt circ.

8 5/8" csg spliced @ 2700' and cemented to surface with 900 sx.

TOC 3700' by calc.

8 5/8" csg @ 4250'. Cmtd w/ 500 sx.

5 1/2" csg @ 12300'. Cmtd w/ 2300 sx.

TD 12300'

PROPOSED CONFIGURATION

SKETCH NOT TO SCALE

DATE: 8/21/06 MOCHA3