

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 - 38166
⁴ Property Code 29060	⁵ Property Name Mocha State Unit	⁶ Well No. 5 ✓
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
D	35	12S	34E		660	North	790	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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4146'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,000'	¹⁸ Formation Mississippian	¹⁹ Contractor	²⁰ Spud Date ASAP
Depth to Groundwater: Less than 50'		Distance from nearest fresh water well: More than 1000'		Distance from nearest surface water: 1000'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 24,000 bbls Drilling Method: Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input 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#	400'	450	0
12.25"	9.625"	40#	4300'	1400	0
8.75"	5.5"	17#	12,000'	1950	TOC 3750'

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.

Yates Petroleum Corporation proposes to drill and test the Mississippian/intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4300', cement circulated to surface. If commercial, production casing will be ran and cemented, perforated, and stimulated as need to gain production. **MUD PROGRAM:** 0-400' FW Gel; 400'-1950' FW; 1950'-4250' Red Bed Mud/Oil; 4250'-7600' Cut Brine; 7600'-11425' SGel/Oil; 11425'-TD SGel/Starch/4-6% KCL. No H2S is anticipated. **BOPE PROGRAM:** A 5000# BOPE will be installed on the 9.625" casing and tested daily for operational.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

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 ☐.

Printed name: Clifton R. May

Title: Regulatory Agent

E-mail Address: cliff@ypcnm.com

Date: November 8, 2006

Phone: (505) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval Attached ☐

NOTE: USGS Water Data website & their map; no information on NM Engineer's website.

DISTRICT I
1636 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1800 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
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 30-025-38160	Pool Code	Pool Name Wildcat Mississippian
Property Code 29060	Property Name Mocha State Unit	Well Number 5
OGED No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4146

Surface Location

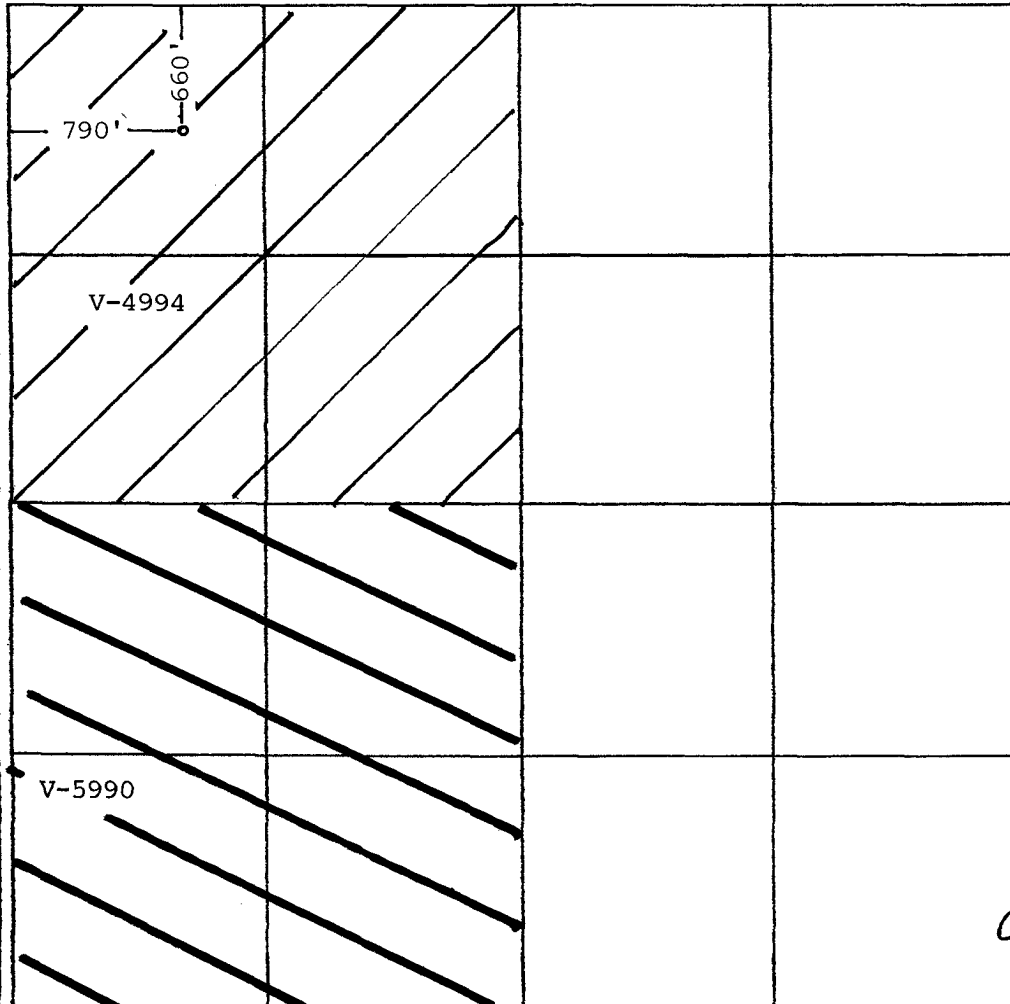
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Bottom Hole Location If Different From Surface

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.
320			

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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Clifton R. May</i> Signature</p> <p>Clifton R. May Printed Name</p> <p>Regulatory Agent Title</p> <p>November 8, 2006 Date</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>11/03/2006 Date Surveyed</p> <p><i>Herbert L. Jones</i> Signature & Seal of Professional Surveyor</p> <p>HERBERT L. JONES NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 3640 Certificate No. Herbert L. Jones RLS 3640 GENERAL SURVEYING COMPANY</p>
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YATES PETROLEUM CORPORATION

TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER & CHOKE MANIFOLD SCHEMATIC

