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

APPL	<u>ICATI</u>	ON	FOF	R PERMIT	'TO D	<u>RILL</u>	<u>,, RE-E</u>	INTE	R, DI	EEPE	N, PLUG	BAC	K, OR	<u>ADD</u>	A ZONE
			~~	Operator Name							T^-		² OGRID Ni 02557		
			YATI	ES PETROLEUN 105 South Fo	ourth Street		İ						02557	5	
				Artesia, New M	exico 8821	.0					20, 026		³ API Num	iber	
											30 -025	>-2950	10		
³ Prope	erty Code					- 5	Property N	lame						° Well N	No.
2	<u> 49 //</u>	<u>1</u>	\bot		Ca	rper M	IcAlester	ATE	State.					2	
	•		9]	Proposed Pool 1 Abo							10	'Propose	sed Pool 2		
L				AUU		7 S1	urface I		on						,
UL or lot no.	Section	Tow	nship	Range	Lot I		Feet from	T		outh line	Feet from th	ne.	East/West li	ne	County
A	25	1	1S	34E			660	l l		North 660			East		Lea
				⁸ Propo	osed Botto	om Ho	le Locati	ion If D	Differen	ıt From	Surface				
UL or lot no.	Section	Tow	vnship	Range	Lot I		Feet from			outh line			East/West lin	st/West line County	
	L	Щ			⊥Ac	lditior	nal Wel	1 Info	 rmatic	on					
	Type Code E			12 Well Type Co O			13 Cable/I	Rotary			⁴ Lease Type Coo	de	15		1 Level Elevation 4142.3
¹⁶ M	fultiple No			17 Proposed Dep 9,165'	oth		18 Forma	nation			19 Contractor		²⁰ Spud Date		
Depth to Grou		nore tha	an 50'	7,100	Distance		earest fresh			re than	1	e from r	nearest surfa	ice wate	er: 1000' or
<u>Pit:</u> Liner:	: Synthetic	⊠_		mils thick Clay		√olume: <u>2</u>	24,000_bb1	ols]	Drilling M	more 				
Close	ed-Loop Sys	stem	\Box			0 ranki						Fres	sh Water 🗵	1 Brine	: X
				21	Propos	sed Ca	asing an	nd Cer	ment]	Progra	m				
Hole Si		<u> </u>		ing Size	Casing	g weight/	/foot	Se	etting De	epth	Sacks	of Ceme	ent	Es	stimated TOC
17.5		↓	•	3.375"	48# 32#				7'-in p			400			0
11" 8.75"			.625" 5.5"			-		61'-in p			050			0	
8.75"		 	5.5"			17# 17#		4396-10451'-in 0-4396'			950 150			OC -uncertain	
22 Describe the proposed program. If this application is to DEEPEN or PLUG B			PLUG BAC	CK, give		·		130 13e 24 n	esand propo	sed ne	w productive zone.				
See Attached SheetThis is a re-entry See Attached SheetThis is a 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					OIL CONSERVATION DIVISION										
constructed according to NMOCD guidelines □, a general permit ▷, or an (attached) alternative OCD-approved plan □.				1	Approved by:										
Printed name: Clifton R. May Clifty R. May					Title: Frologist										
Title: Regulatory Agent						Approval Date: 3/(2/07 Expiration Date: 3/(2/08									
E-mail Address: cliff@ypcnm.com									-						
Date: February 16, 2007 Phone: (505) 748-4347						Conditions of Approval Attached									

YATES PETROLEUM CORPORATION

Carper McAlester ATE State #2 Re-entry 660' FNL & 660' FEL Section 25-T11S-R34E Lea County, New Mexico Lease V-5490

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Yates Petroleum Corporation as their Internorth ADG State #1, which was plugged in January, 1995. 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 to the top of the 5.1/2" casing stub at 4396'. The 5.1/2" casing will be joined to the stub and cemented back to about 3700'. The remaining plugs and obstructions will be drilled out and the casing cleaned out to a depth of 9,165'. The mud program will be 9.2 to 9.8 ppg brine water with the viscosity of 35-40 cp. A 3000# BOPE system will be used.

The well will be completed using a pulling unit in the Abo interval.

District I 1625 N. French Dr., Hobbs, NM 88240 District II

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

811 South First, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe. NM 87505

² Pool Code

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

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

¹ API Number

30-025-29500

District IV

AMENDED REPORT WELL LOCATION AND ACREAGE DEDICATION PLAT

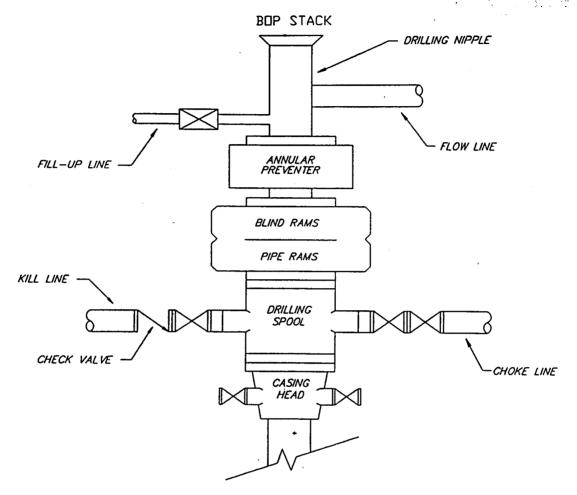
³ Pool Name

Undesignated Abo

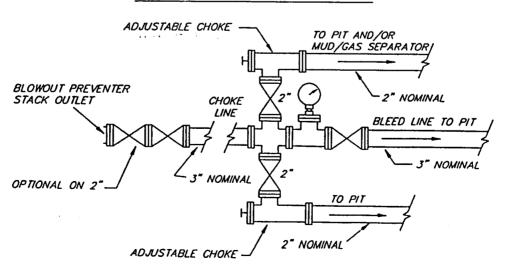
⁴ Property Code		⁵ Property Name								⁶ Well Number	
			2								
⁷ OGRID No.			· · · · · · · · · · · · · · · · · · ·	⁹ Elevation							
025575		⁸ Operator Name Yates Petroleum Corporation								4142.3'	
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line			st line	County	
Α	25	118	34E		660	North	660	Ea:	st	Lea	
	11 Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Id:			Feet from the	Fast	/West line	County	
							1 cot a our the	2400	vi est ilide	County	
12 Dedicated Acres	13 Joint o	r Infill 14 (l Consolidation	Code 15 C	l Order No.	L	J				
40	002200										
NO ALLOW	ABLE W					UNTIL ALL INTE			ONSOLI	DATED OR A	
16		<u> </u>	NUN-STA	NDAKD (JNII HAS BEEN	N APPROVED BY	THE DIVISION				
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							D 137	Cliff	on R. A	May	
							Printed Na	ime			
		ļ						Regul	latory A	Agent	
							Title				
							Ï	Febru	ary 16,	2007	
		 		ľ			Date		-		
							18SI II	RVEYO	R		
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YATES PETROLEUM CORPORATION

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

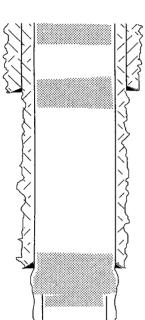


TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



Well Name:	Internorth A	DG State #1	Field:_		
Location:	660' FNL & 660)' FEL Sec. 25-11	S-34E Lea	Co, NM	
GL:4142.3'					4160.1'
Spud Date:		Con	npletion	Date:	
Comments:	Re-entry				

Casing Program						
Size/Wt/Grade/Conn	Depth Set					
13 3/8" 61# J55	407'					
8 5/8" 24 & 32# J55	4261'					
5 1/2" 17 & 20# J55 & N80	10451'					



10 sx cement plug at surface

CURRENT CONFIGURATION

30sx cement plug 407-307?

13 3/8" csg @ 407'. Cmtd w/ 400 sx. Cmt circ.

8 5/8" csg @ 4261'. Cmtd w/ 1650 sx. Cmt circ.

80sx plug 4446-4020'

Csg cut @ 4396'

100' (25 sx) cement plug 7150-7050'

CIBP @ 9075'+35'cmt.

CIBP @ 10000'+35'cm

Possible RBP @ 10200

Abo perfs 9117', 18, 21, 22, 30, 31, 37, 38, 39, 9161', 62, 63, 64, 65'

Bough B perfs 10038-42' Perfs SQUEEZED Sand drill 10041'

Ranger Lake perfs 10276', 77, 78, 86, 88, 90, 92, 94, 96, 98, 10300, 10302'

Ranger Lake perfs 10402-21'

5 1/2" csg @ 10451'. Cmtd w/ 850 sx

TD 10451' PBTD 10411'(float collar)

> DATE: 7/17/06 INTRNT1

Well Name	: Internorth ADG State #1	Field:	
Location:	660' FNL & 660' FEL Sec. 25	5-11S-34E Lea Co, NM	
GL: 4142.3'	Zero:AGL	_: KB: _	4160.1'
Spud Date:	C	completion Date:	
Comments:	Re-entry of YPC drilled w	vell.	

Casing Program							
Size/Wt/Grade/Conn	Depth Set						
13 3/8" 61# J55	407'						
8 5/8" 24 & 32# J55	4261'						
5 1/2" 17 & 20# J55 & N80	10451'						



13 3/8" csg @ 407'. Cmtd w/ 400 sx. Cmt circ.

8 5/8" csg @ 4261'. Cmtd w/ 1650 sx. Cmt circ.

Csg spliced @ 4396'

Abo perfs 9117, 18, 21, 22, 30, 31, 37, 38, 39, 61, 62, 63, 64, 65'

Bough B perfs 10038-42' PERFS SQUEEZED

Sand Drill @ 10041'. New Perfs 10040-62'

Ranger Lake perfs 10276, 77, 78, 86, 88, 90, 92, 94, 96, 98, 10300, 10302'

Ranger Lake perfs 10402-21'

5 1/2" csg @ 10451'. Cmtd w/ 850 sx.

PBTD 10411'(float collar)

TD 10451'

CIBP @ 10000'+35' cmt/

Possible RBP @ 10200'

DATE: 7/18/06 INTRNT1A