

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

RECEIVED

Submit to appropriate District Office

FEB 11 2008

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

1 Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		2 OGRID Number 25575	
3 Property Code 35456		3 API Number 30-025-38773	
3 Property Name Rimes BIM State Com.		6 Well No 1	
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
C	12	10S	33E	C	660'	North	1650'	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
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Additional Well Information

11 Work Type Code New well	12 Well Type Code Gas	13 Cable/Rotary	14 Lease Type Code State	15 Ground Level Elevation 4219'
16 Multiple N	17 Proposed Depth 11930'	18 Formation Mississippian Age Rocks- Undivided	19 Contractor	20 Spud Date
Depth to Groundwater 50'		Distance from nearest fresh water well 1000'		Distance from nearest surface water More than 1000'
Pit Liner: Synthetic XX 12 mils thick Clay <input type="checkbox"/> Pit Volume 24,000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <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'	400	0
12.25	9.625	40	4000'	1350	0
8.5	5.5	17	11930	2025	3500

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 and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. Intermediate casing will be set at 4000', cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FW Gel; 400'-2065' FW; 2065'-4000' Red Bed Mud/Oil; 4000'-7600' Cut Brine; 7600'-11180' SGel/Starch; 11180'-TD S/Starch/4-6% KCL.

BOPE PROGRAM: a 5000# BOPE will be installed on the 9 5/8" casing and tested daily for operational.

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Mississippian formation meet the OCD's minimum requirements for the submission of a contingency plan per Rule

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 ☐.

Signature:

Printed name: Clifton R. May

Title: Regulatory Agent

E-mail Address: cliff@ypcn.com

Date: 2/8/08

Phone: (575) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title: **OC DISTRICT SUPERVISOR/GENERAL MANAGER**

Approval Date: FEB 25 2008

Expiration Date:

Conditions of Approval Attached ☐

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

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

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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-3872B	² Pool Code /	³ Pool Name Wildcat Mississippian
⁴ Property Code 35456	⁵ Property Name Rimes BIM State Com.	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4219'

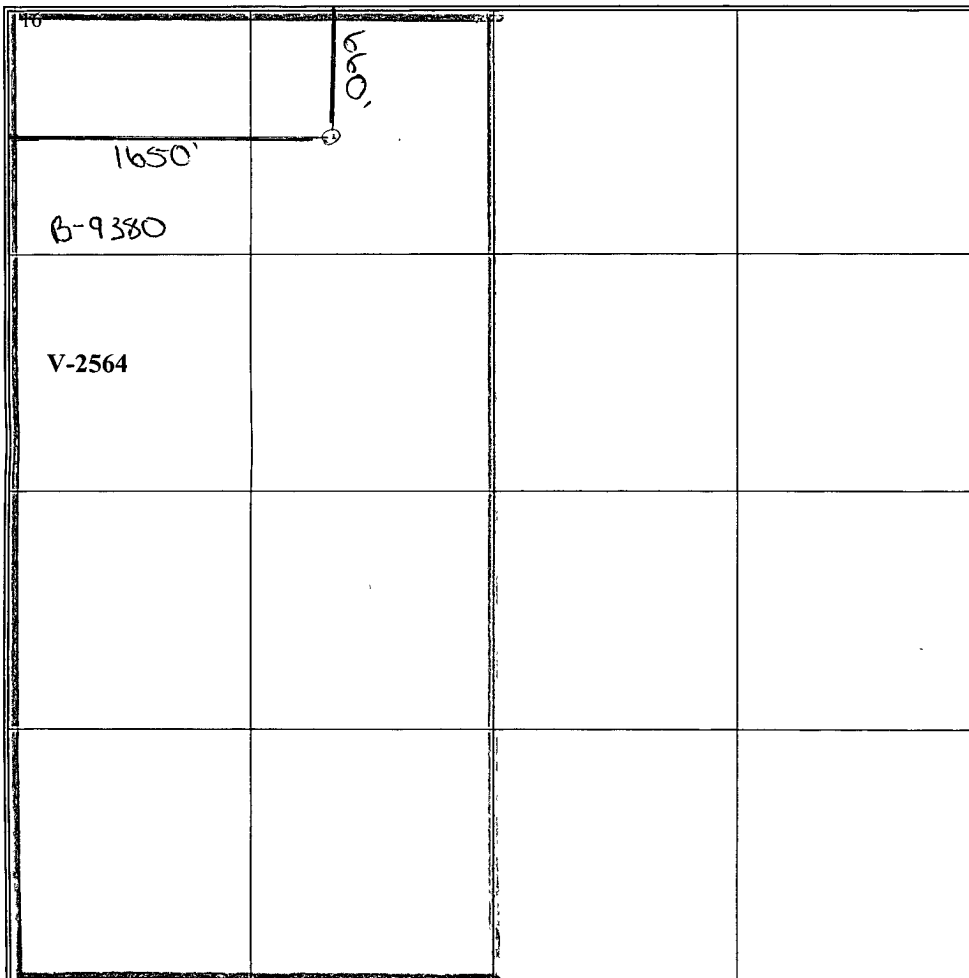
¹⁰ Surface Location

UL or lot no. C	Section 12	Township 10S	Range 33 E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1650	East/West line West	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
¹² Dedicated Acres 320 W/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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 hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p>Clifton R. May 1/18/08 Signature Date</p> <p>Clifton R. May, Regulatory Agent Printed Name</p>
	<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p> <p>REFER TO ORIGINAL PLAT</p> <p>Certificate Number</p>

DISTRICT I
1800 N. Fourth St., Santa Fe, NM 87500

DISTRICT II
611 South First, Santa Fe, NM 87501

DISTRICT III
1800 N. Fourth St., Santa Fe, NM 87500

DISTRICT IV
2040 South Parkway, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-100
Revised March 17, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 5 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-38173	Well Code	Well Name WILDCAT MISSISSIPPIAN
Property Code 35454	Property Name RIMES INC STATE COM.	Well Number 1
Owner No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4219

Surface Location

UL or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
C	12	10S	33E		880	NORTH	1650	WEST	LEA

Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 320 W/O	Joint or Pool	Consolidation Code	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

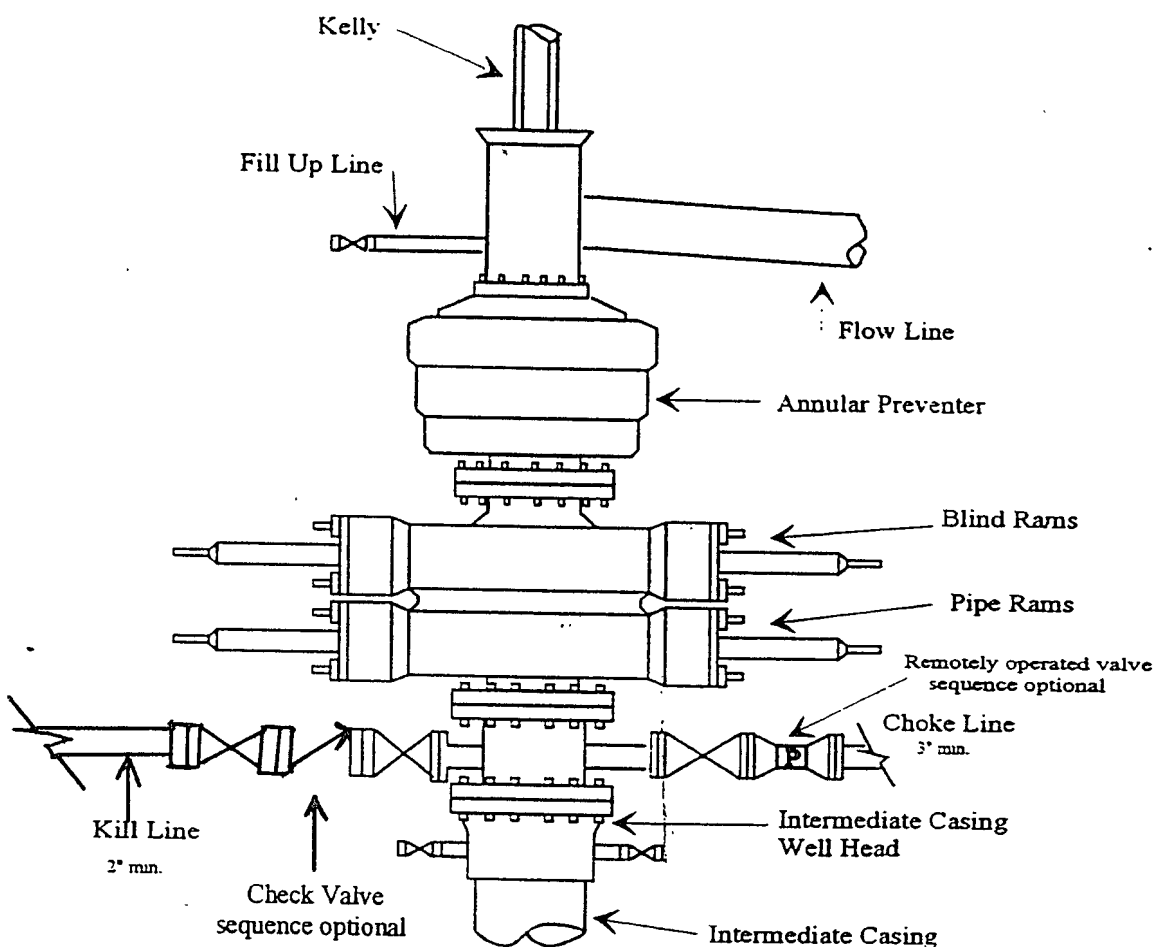
	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the information contained herein to be true and complete to the best of my knowledge and belief.</p> <p><i>Clifton R. May</i> Signature CLIFTON R. MAY Printed Name REGULATORY AGENT Title 4/3/2007 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify 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>2/16/2006 Date Surveyed Signature & Printed Name of Professional Surveyor Herschel L. Jones Professional Surveyor New Mexico No. 3840 Commission Expires 12/31/2007 Firm Name HERSCHEL L. JONES & COMPANY</p>



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

