

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

Appropriate District Office

☐ AMENDED REPORT

FEB 25 2008

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

Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		OCRRB Number HOBBS OCD
Property Code 34484	Property Name Wynona State Unit	API Number 30-025-38805
Proposed Pool 1 Wildcat Mississippian		Proposed Pool 2

Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	21	12S	34E	L	1980'	South	660'	West	Lea

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

Work Type Code New Well	Well Type Code Gas	Cable/Rotary	Lease Type Code State	Ground Level Elevation 4182'
Multiple No	Proposed Depth 12280'	Formation Mississippi Limestone	Contractor	Spud Date ASAP
Depth to Groundwater 43'		Distance from nearest fresh water well More than 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"/>				

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	4200'	1450	0
8.75	5.5	17	12280'	2050	3700

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 formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. Intermediate casing will be set at 4200', cement circulated to surface. If commercial, production casing will be run/cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' Fresh Water Gel; 400'-2000' Fresh Water; 2000'-4200' Red Bed Mud/Oil; 4200'-7650' Cut Brine; 7650'-11620' SW Gel/Starch; 11620-TD SW Gel/Starch/4-6% KCL.

BOPE PROGRAM: a 5000# BOPE will be installed on the 9.625" 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 118.

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@ypcnm.com

Date: 2/18/08

Phone (575) 748-4347

OIL CONSERVATION DIVISION

Approved by:

Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER

Approval Date: MAR 13 2008

Expiration Date:

Conditions of Approval Attached

☒ Pit must be hauled + contents

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

<div>16</div> <div>V-5948</div>		<div>17</div> <div>OPERATOR CERTIFICATION</div> <div>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</div> <div><div>Clifton R. May</div><div>Signature</div></div> <div><div>2/1 /08</div><div>Date</div></div> <div>Clifton R. May, Regulatory Agent</div> <div>Printed Name</div>	
		<div>18</div> <div>SURVEYOR CERTIFICATION</div> <div>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</div> <div><div></div><div>Date of Survey</div></div> <div><div></div><div>Signature and Seal of Professional Surveyor:</div></div> <div>REFER TO ORIGINAL PLAT</div> <div><div></div><div>Certificate Number</div></div>	
<div>660'</div> <div>1980'</div>	<div>VO-5928</div>		

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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	Pool Code	Pool Name WILDCAT MISSISSIPPIAN
Property Code	Property Name WYNONA STATE UNIT	Well Number 2
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4182

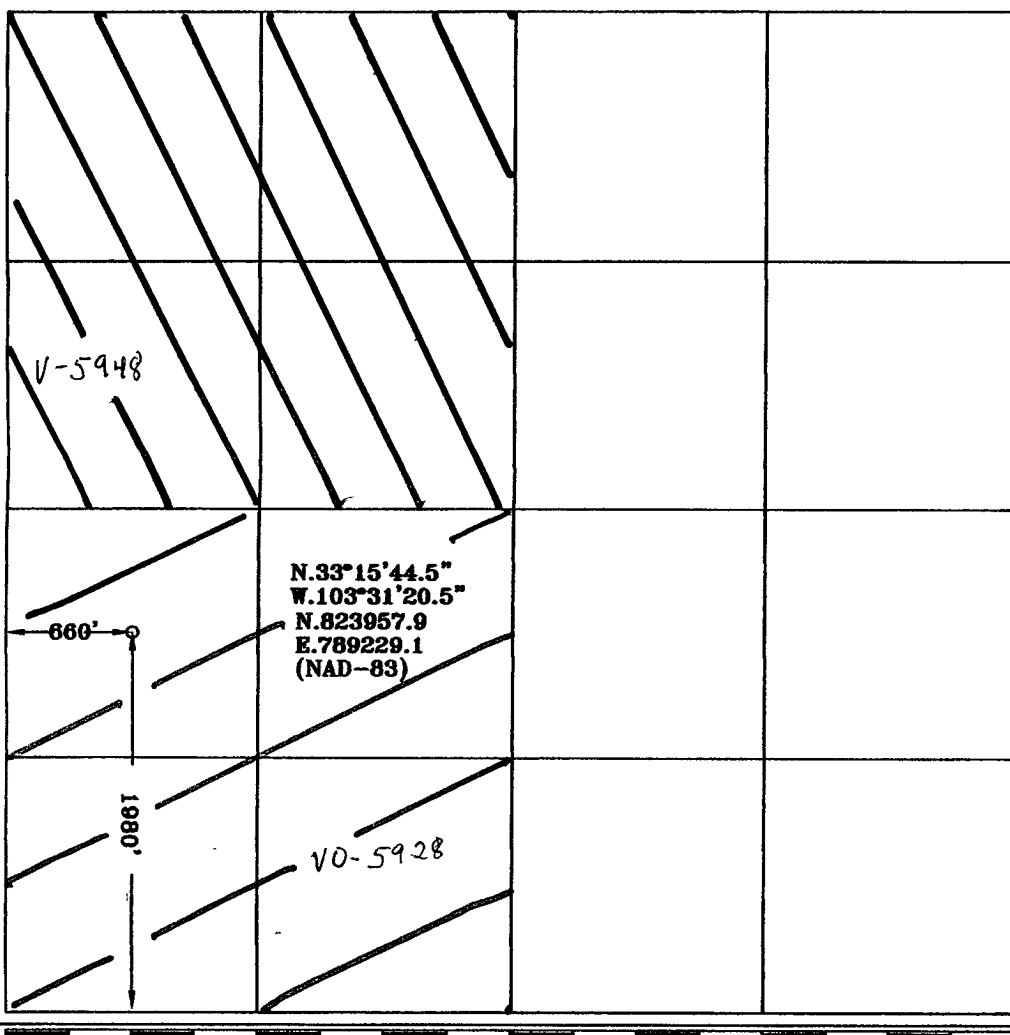
Surface Location

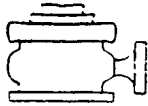
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	21	12S	34E		1980	SOUTH	660	WEST	LEA

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 320 w/2	Joint or Infill	Consolidation Code	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

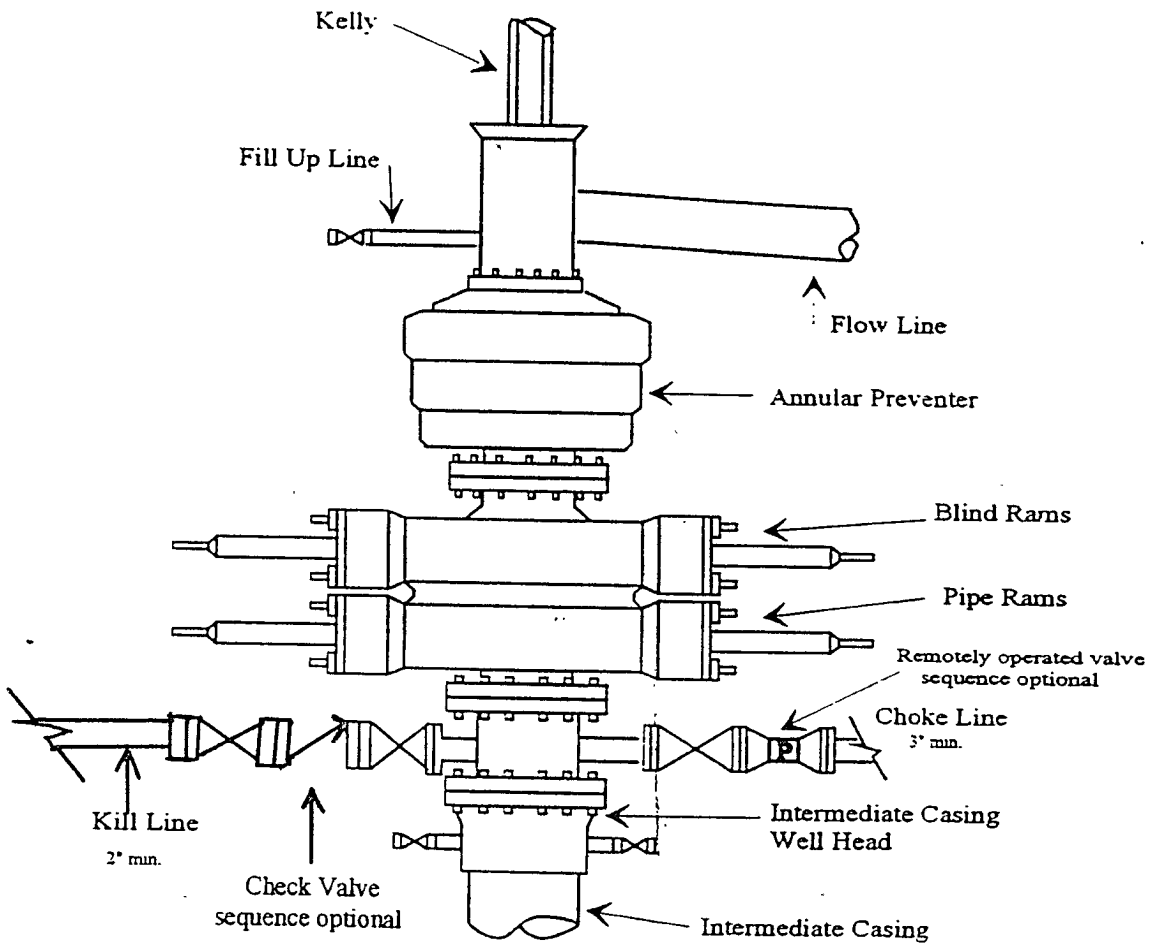
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature CLIFTON R. MAY Printed Name REGULATORY AGENT Title MARCH 7, 2006 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat 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. 3/02/2006 Date Surveyed Signature & Seal of Professional Surveyor Herschel L. Jones NEW MEXICO 3640 Certified by: Herschel L. Jones, RLS 3640 WYNONA STATE UNIT GENERAL SURVEYING COMPANY



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

