

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
Minerals and Natural Resources

Form C-101
May 27, 2004

RECEIVED

MAR 03 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

FEB 19 2008

OCD-ARTESIA

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 Property Code 34586 | | ⁴ API Number 30-005-29023 |
| ⁵ Property Name Patsy 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 |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H | 35 | 11S | 31E | | 1600' | North | 1200' | East | Chaves |

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 New well | ¹² Well Type Code G | ¹³ Cable/Rotary | ¹⁴ Lease Type Code State | ¹⁵ Ground Level Elevation 4451' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 11325' | ¹⁸ Formation Mississippi Limestone | ¹⁹ Contractor Not Determined | ²⁰ Spud Date |
| Depth to Groundwater 60' | | Distance from nearest fresh water well 4100' | | Distance from nearest surface water 2200' |
| ²¹ Proposed Casing and Cement Program | | | | |

Pit ☐ Liner. Synthetic XX 12_mils thick Clay ☐ Pit Volume: _____ bbls Drilling Method:
Closed-Loop System ☐ Fresh Water ☒ Brine ☒ Diesel/Oil-based ☐ Gas/Air ☐

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 | 36 | 3700' | 1350 | 0 |
| 8.75 | 5.5 | 15.5 | 11325' | 2225 | 3200 |
| | | | | | |
| | | | | | |

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. If commercial, intermediate/production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FW/Spud Mud; 400-1450' Fresh Water; 1450-3700' Red Bed Mud/Oil; 3700-7200' Cut Brine; 7200-8550' S Gel/Oil; 8550-10500' S Gel/Starch; 10500-11375' SW/Starch/4% 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 NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Signature: *Debbie L. Caffall*

Printed name: Debbie L. Caffall

Title Regulatory Agent

E-mail Address: debbiec@ypcnm.com

Date 2/15/08

Phone: (575) 748-4376

OIL CONSERVATION DIVISION

Approved by:

Chris Williams

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

Approval Date: **MAR 06 2008**

Expiration Date:

Conditions of Approval Attached ☐

PREVIOUSLY APPROVED

C-102 attached

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**

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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 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 30-005-29023 | | ² Pool Code ✓ | ³ Pool Name Wildcat Mississippian |
| ⁴ Property Code 34586 | ⁵ Property Name PATSY STATE UNIT | | ⁶ Well Number 5 |
| ⁷ OGRID No. 025575 | ⁸ Operator Name YATES PETROLEUM CORPORATION | | ⁹ Elevation 4451 |

¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|------------------|
| UL or lot no. H | Section 35 | Township 11S | Range 31E | Lot Idn | Feet from the 1600 | North/South line NORTH | Feet from the 1200 | East/West line EAST | County CHAVES |
|--------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|-----------------------|------------------------|------------------|

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 E/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 | | | | | 1600' |
| | | | | | 1200' |
| | | | | | |
| | | | VA-2123 | | |
| | | | | | |
| | | | | | |

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.
Signature: Debbie L. Caffall Date: 1/23/2007
Printed Name: Debbie L. Caffall
Regulatory Agent Title: _____

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.
Date of Survey: _____
Signature and Seal of Professional Surveyor: _____
REFER TO ORIGINAL PLAT
Certificate Number: _____

DISTRICT I
1000 N. French Dr., Hobbs, NM 88240

DISTRICT II
611 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

DISTRICT IV
2646 South Pacheco, Santa Fe, NM 87506

STATE OF NEW MEXICO
Energy, Minerals and Natural Resources Department

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 TRITT "BGT" STATE | Well Number 1 |
| OGED No. 025575 | Operator Name YATES PETROLEUM CORPORATION | Elevation 4451 |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H | 35 | 11S | 31E | | 1600 | NORTH | 1200 | EAST | CHAVES |

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 | 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

| | | | |
|--|--|---------|---|
| | | | |
| | | | 1600' |
| | | | 1200' |
| | | | N.33°19'25.4" W.103°47'15.1" N.845688.4 E.666877.9 (NAD-27) |
| | | VA-2123 | |
| | | | |
| | | | |

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Robert Asher

Signature
Robert Asher

Printed Name
Regulatory Agent

Title

3/1/2005
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.

3/01/2005
Date Surveyed

Signature of Registered Professional Surveyor

HERNANDEZ JONES

3640

HERNANDEZ JONES RLS 3640

REGISTERED PROFESSIONAL SURVEYOR

NEW MEXICO

GEORGE J. JONES COMPANY

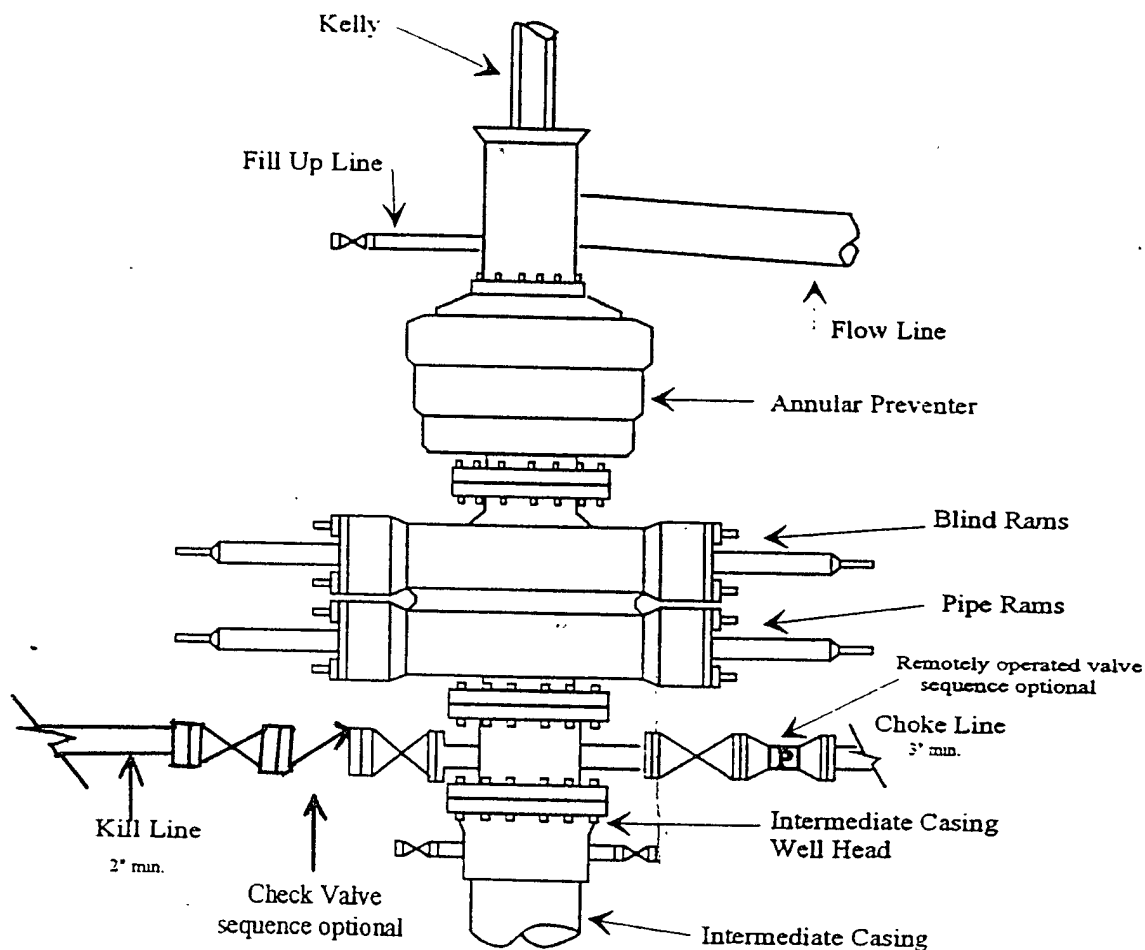
0 330° 660° 990° 1650° 1980° 2310° 2640° 2970° 3300° 0°



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

