

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

RECEIVED

Form C-101
May 27, 2004Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505
Submit to appropriate District Office
APR 14 2008
HOBBS OCD
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 -025-31243
⁴ Property Code 33254	⁵ Property Name Reba State Unit	⁶ Well No. 5
⁹ Proposed Pool 1 Four Lakes 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
K	32	11S	35E		2300	South	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

Additional Well Information

¹¹ Work Type Code E	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4160'
¹⁶ Multiple No	¹⁷ Proposed Depth 12550'	¹⁸ Formation Mississippian	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater: less than 50'		Distance from nearest fresh water well: More than 1000'		Distance from nearest surface water: 1000' or more
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 24,000 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> 20 ranking Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" 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#	478'-in place	500	0
11"	8.625"	28#	4300'-in place	1350	0
7.875"	5.5"	17#	13650'	800	TOC -7000' +/-

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.

See Attached Sheet---This is a re-entry

Non-Standard location is being applied for. The well will not be produced until approval of NSL is obtained.

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

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 constructed according to NMOC guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: Debbie L. Caffall		Approved by: <i>Chris Williams</i>	
Title: Regulatory Agent		Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address: debbiec@ypcnm.com		Approval Date: APR 29 2008 Expiration Date:	
Date: 4/14/2008	Phone: (505) 748-4376	Conditions of Approval Attached <input type="checkbox"/>	

YATES PETROLEUM CORPORATION

Reba State Unit #5 Re-entry
2300' FSL & 1650' FWL
Section 32-T11S-R35E
Lea County, New Mexico
Lease V-6303

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Kerr-McGee Corporation as their State 32 #1 well, which was plugged in 1991. Yates will use a pulling unit and a reverse unit to drill out the cement plugs in the 8 5/8" casing to the top of the plug set at 4340'. Test the casing. Rig down the pulling unit and move off the well.

A drilling rig will be moved onto location and the remaining plugs will be drilled out to a TD of 12550'. Open hole logs will then be run as per Geology. Then, if warranted, 5 1/2" casing will be run and cemented with 800 sacks to bring the cement top to approximately 7,000'. Move off the drilling rig and the well will then be completed using a pulling unit. The well will be tested in the Mississippian, Morrow, or Atoka intervals as indicated by the interpretation of the open hole logs by Geology. The mud program will be 9.2 to 9.5 ppg brine water in the upper portion with a salt gel at 9.6-10.0 ppg with viscosity of 35-40 cp in the lower portion. A 5,000 psi BOP will be used.

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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 30-025-31243	² Pool Code	³ Pool Name Four Lakes Mississippian
⁴ Property Code	⁵ Property Name Reba State Unit	⁶ Well Number 5
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4160

¹⁰ Surface Location

UL or lot no K	Section 32	Township 11S	Range 35E	Lot Idn	Feet from the 2300	North/South line South	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 S/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 	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 _____ Date 4/14/2008 Debbie L. Caffall Printed Name
	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 See original survey plat Date of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____

DISTRICT I
P. O. Box 980
Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD
Artesia NM 88210

DISTRICT III
1000 Rio Brazos Rd
Aztec NM 87410

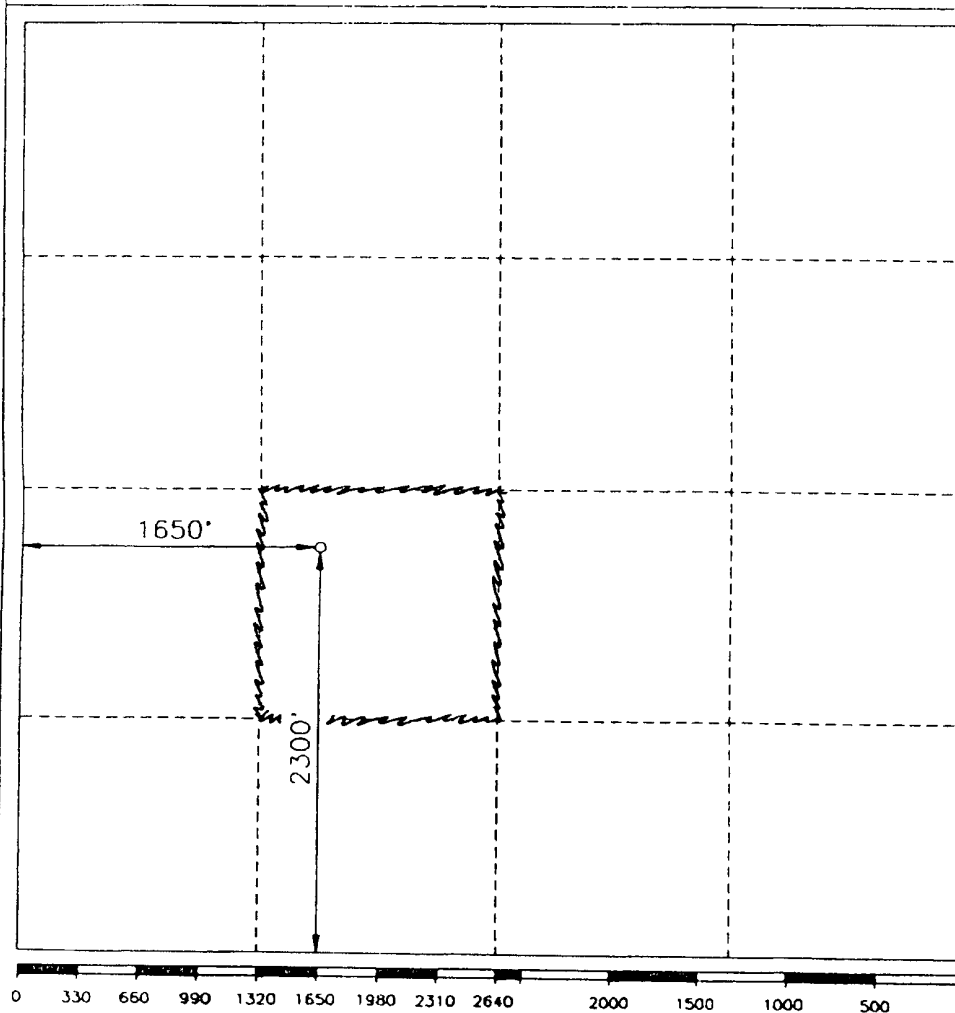
OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the section

Operator Kerr McGee Corporation		Lease State "32"		Well No 32-1	
Unit Letter K	Section 32	Township 11 South	Range 35 East	County NMPM	Lea
Actual Footage Location of Well					
2300 feet from the		South	line and	1650	feet from the
Ground Level Elev. 4160		Producing Formation Devonian		Pool Wildcat	40 Acres

- 1 Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- 2 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty)
- 3 If more than one lease of different ownership is dedicated to the well, have the interest of all the owners been consolidated by communitization, unitization, forced-pooling, etc.?
☐ Yes ☐ No If answer is "yes", type of consolidation _____
If the answer is "no", list the owners and tract descriptions which have actually been consolidated (Use the reverse side of this form if necessary.) _____
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the division



OPERATOR CERTIFICATION

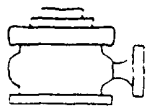
I hereby certify that the information herein is true and complete to the best of my knowledge and belief.

Signature *Gaylan G. Bunas*
Printed Name
Gaylan G. Bunas
Position
Analyst II
Company
Kerr-McGee Corporation
Date
5-13-91

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 knowledge and belief.

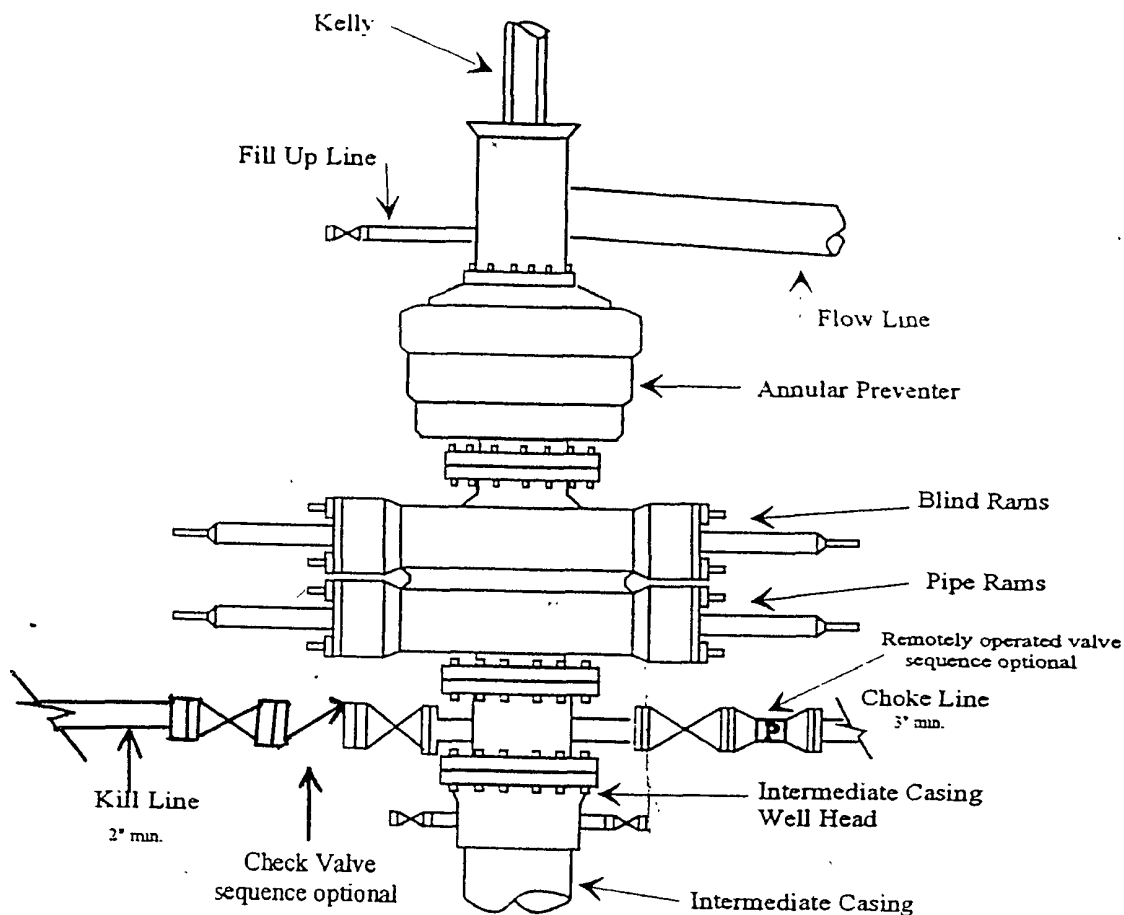
Date Surveyed
May 1991
Signature *Larry W. Busby*
Professional Surveyor
11300
Certificate
11300



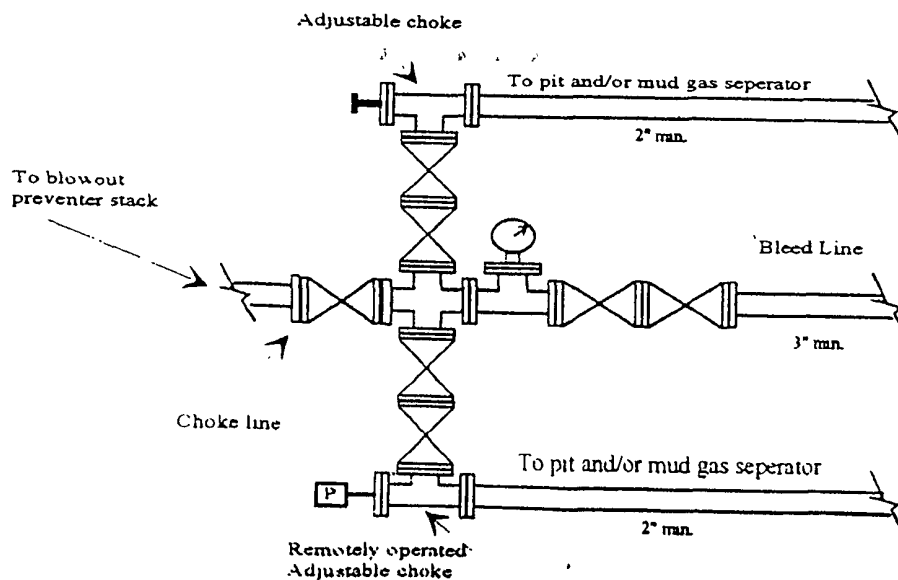
Yates Petroleum Corporation

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



Well Name: Reba State Unit No. 5 Field: _____

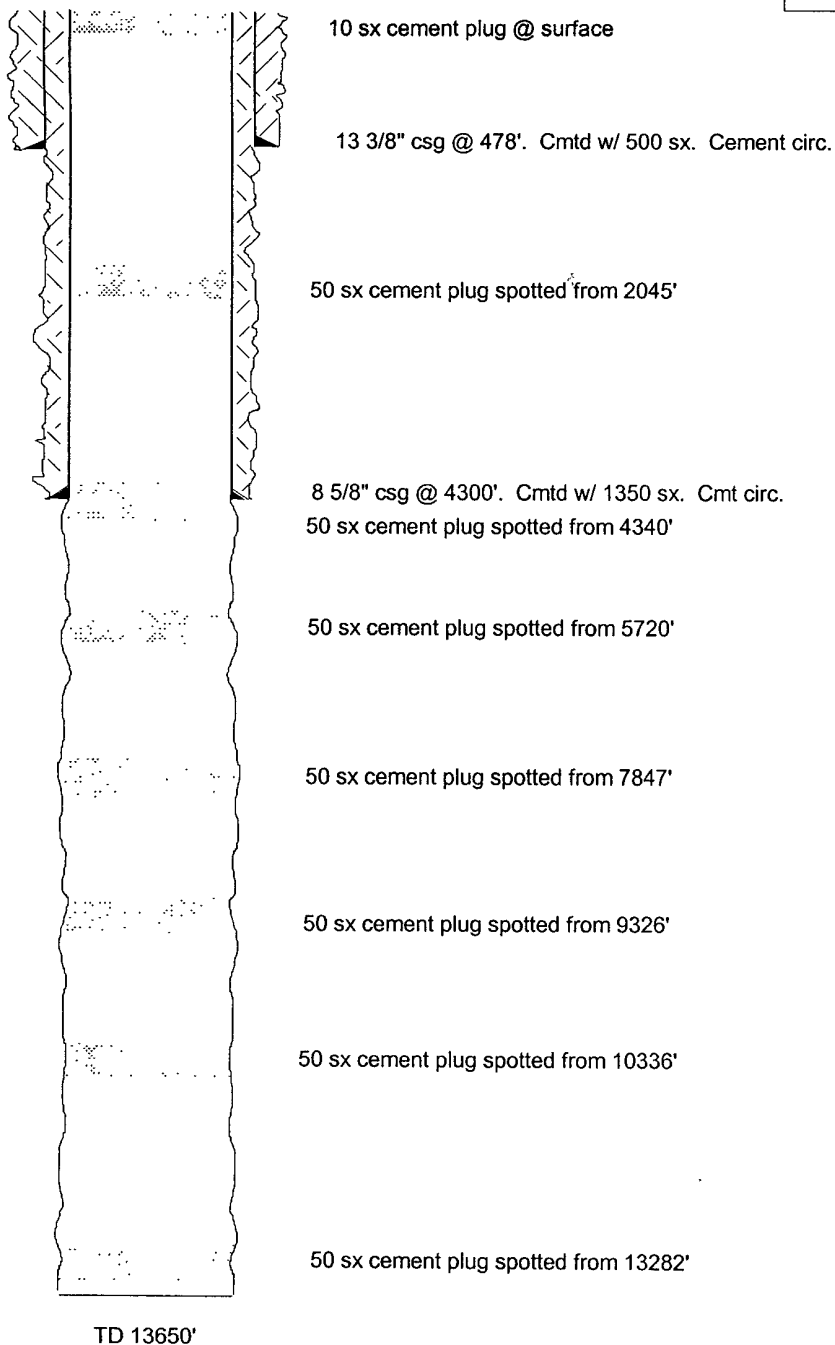
Location: 2300' FSL & 1650' FWL Sec. 32-11S-35E Lea Co, NM

GL: _____ Zero: _____ AGL: _____ KB: _____

Spud Date: _____ Completion Date: _____

Comments: This is a re-entry of the State 32 #1 D&A by Kerr-McGee in 7/1991

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 43#	478'
8 5/8" 28#	4300'



CURRENT CONFIGURATION

SKETCH NOT TO SCALE

DATE: 4/2/08 REBA5

Well Name: Reba State Unit No. 5 Field: _____

Location: 2300' FSL & 1650' FWL Sec. 32-11S-35E Lea Co, NM

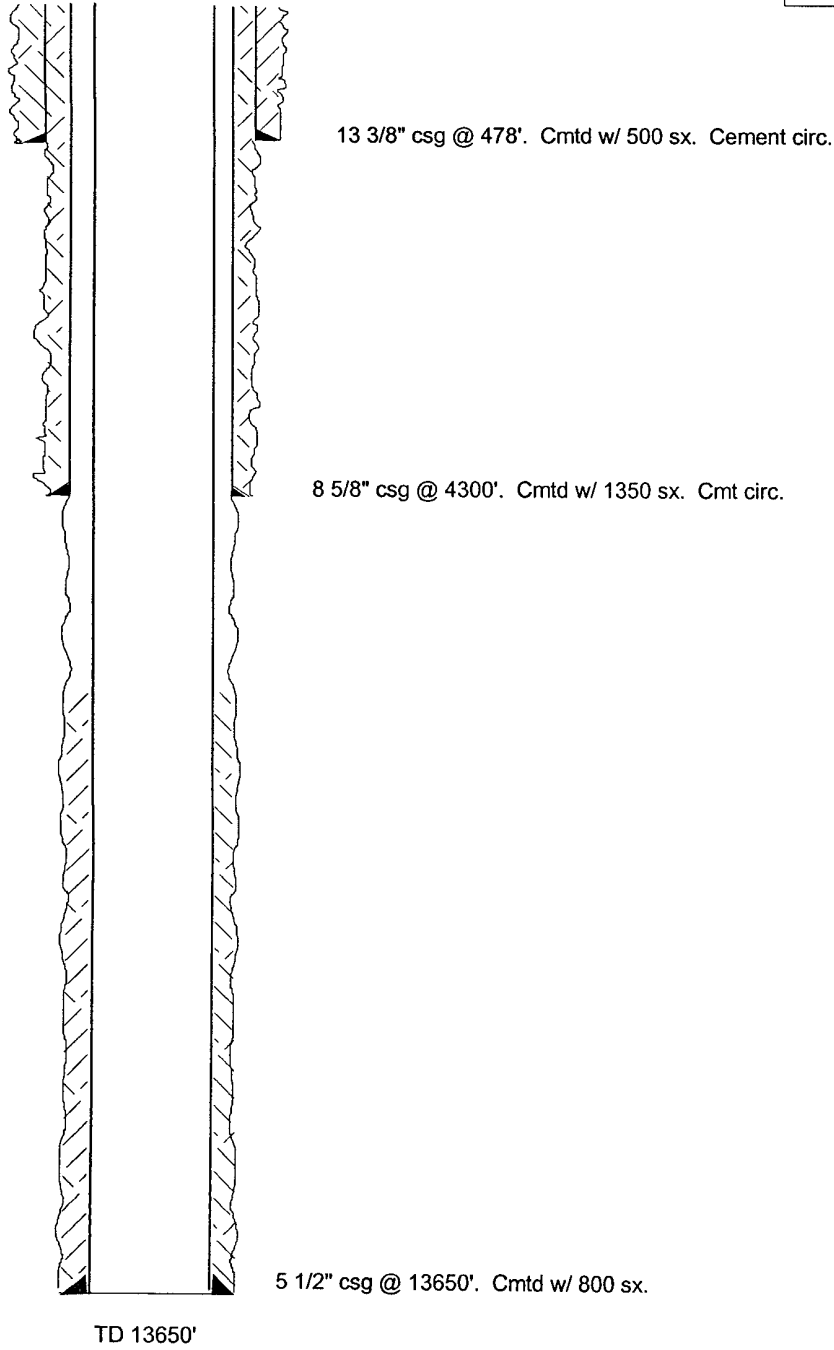
GL: _____ Zero: _____ AGL: _____ KB: _____

Spud Date: _____ Completion Date: _____

Comments: This is a re-entry of the State 32 #1 D&A by Kerr-McGee in 7/1991

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 43#	478'
8 5/8" 28#	4300'
5 1/2" 17# J55, L80, P110	13650'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 4/2/08 REBA5A