

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

WF
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

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		OGRID Number 025575
Property Code 33254	Property Name Reba State Unit	API Number 30-025-39083
Well No. 2		
Proposed Pool 1 Four Lakes; Mississippian (Gas)		Proposed Pool 2

Surface Location									
UL or lot no B	Section 32	Township 11S	Range 35E	Lot Idn	Feet from the 760'	North/South line North	Feet from the 1925'	East/West line East	County 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 4159'
Multiple N	Proposed Depth 12800'	Formation Mississippian Limestone	Contractor Not Determined	Spud Date ASAP
Depth to Groundwater Less than 50'		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 checked="" 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	400	0
12.25	9.625	40	4200	1500	0
8.75	5.5	17	12800	1650	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 and intermediate formations. Approximately 400' of surface casing will be set/cemented. Approximately 4200' of intermediate casing will be set/cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production
MUD PROGRAM: 0-400' FW/Spud Mud; 400'-2090' FW; 2090'-4200' Red Bed Mud/Oil; 4200'-7650' Cut Brine; 10000'-10600' S Gel Starch; 11600' TD SW/Starch 4%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 Limestone 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 NMOCD guidelines <input type="checkbox"/> , a general permit <input checked="" type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Signature: <i>Cliffon R. May</i>		Approved by: <i>[Signature]</i>	
Printed name: Cliffon R May		Title: PETROLEUM ENGINEER	
Title: Regulatory Agent		Approval Date: AUG 21 2008 Expiration Date:	
E-mail Address: cliff@ypcnm.com			
Date: 5/9/08	Phone: (575) 748-4347	Conditions of Approval Attached <input type="checkbox"/>	

PREVIOUSLY APPROVED C-102 Attached

EXPIRED MAY 1, 08

Permit Expires 2 Years From Approval Date Unless Drilling Underway

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1825 N. French Dr., Hobbs, NM 88240

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811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form U-104
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 30-025-39083	Pool Code 97053	Pool Name Four Lakes; Mississippian (Gas)
Property Code 33254	Property Name REBA STATE UNIT	Well Number 2
GRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4159

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	32	11S	35E		760	NORTH	1925	EAST	LEA

Bottom Hole Location If Different From Surface

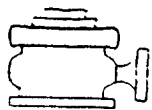
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320 N/2			

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>N.33°19'38.8" W.103°25'39.4"</p> <p>760'</p> <p>1925'</p> <p>V-6303</p> <p>V0-6326</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Clifton R. May</i></p> <p>Signature Clifton R. May</p> <p>Printed Name Regulatory Agent</p> <p>Title April 21, 2008</p> <p>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>5/17/2004</p> <p>Date Surveyed</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Herschel L. Jones</i></p> <p>Certification No. Herschel L. Jones FLS 3640</p> <p>REBA 2</p> <p>GENERAL SURVEYING COMPANY</p>
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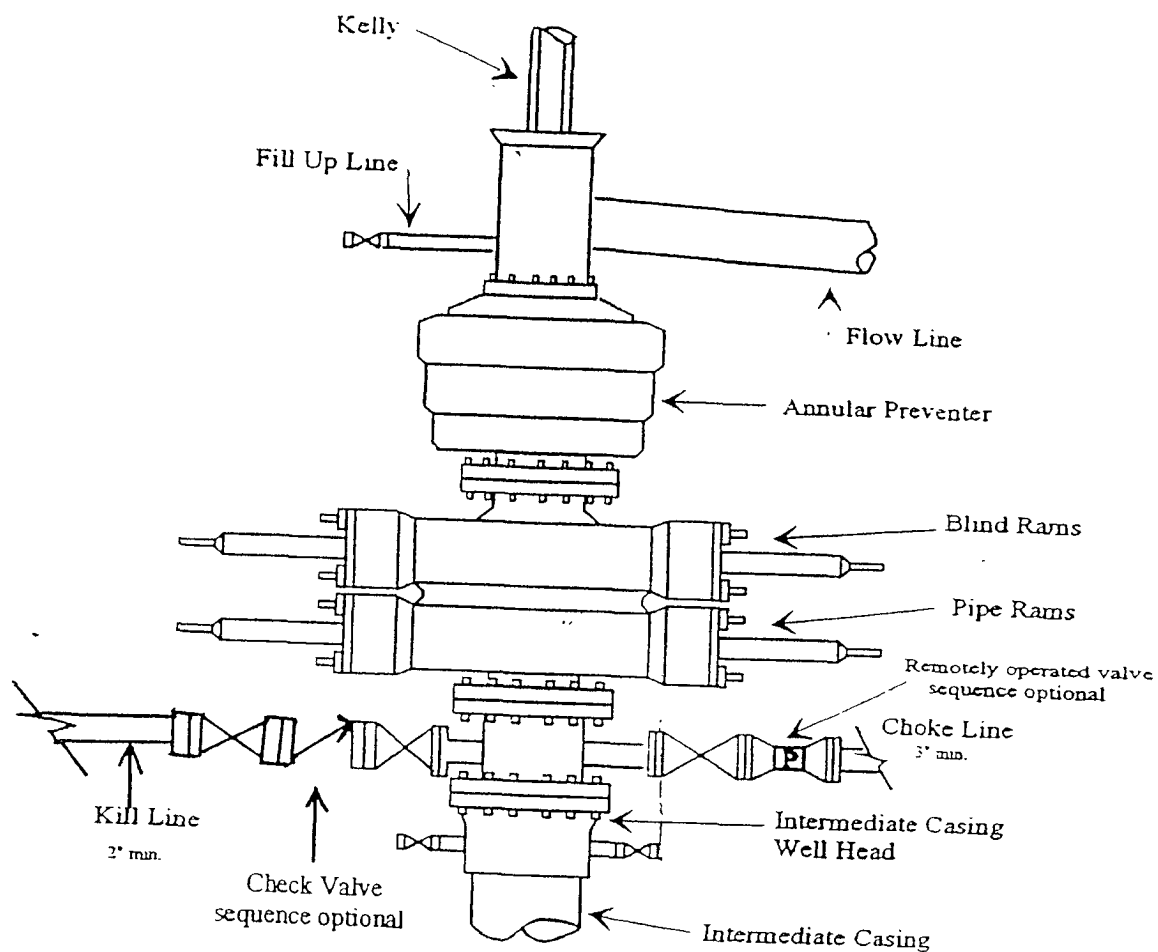
0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



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

