

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1222 S. St. Francis Dr., Santa Fe, NM 87505

88210
SEP 18 2008

Oil Conservation Division

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 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-025-01868
⁴ Property Code 28581	⁵ Property Name Slick AZU State Com	⁶ Well No. 1
⁹ Proposed Pool 1 Wildcat; Upper Penn		¹⁰ Proposed Pool 2 Wildcat; Abo

⁷ Surface Location

UL or lot no. C	Section 1	Township 13S	Range 34E	Lot Idn	Feet from the 649	North/South line North	Feet from the 1980	East/West line West	County Lea
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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 P	¹² Well Type Code G	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4128'
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Mississippian	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
<u>Pit</u> Liner: Synthetic <input type="checkbox"/> ____ mils thick Clay <input type="checkbox"/> Pit Volume: ____ bbls <u>Drilling Method:</u> Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input 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
		IN PLACE			

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.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

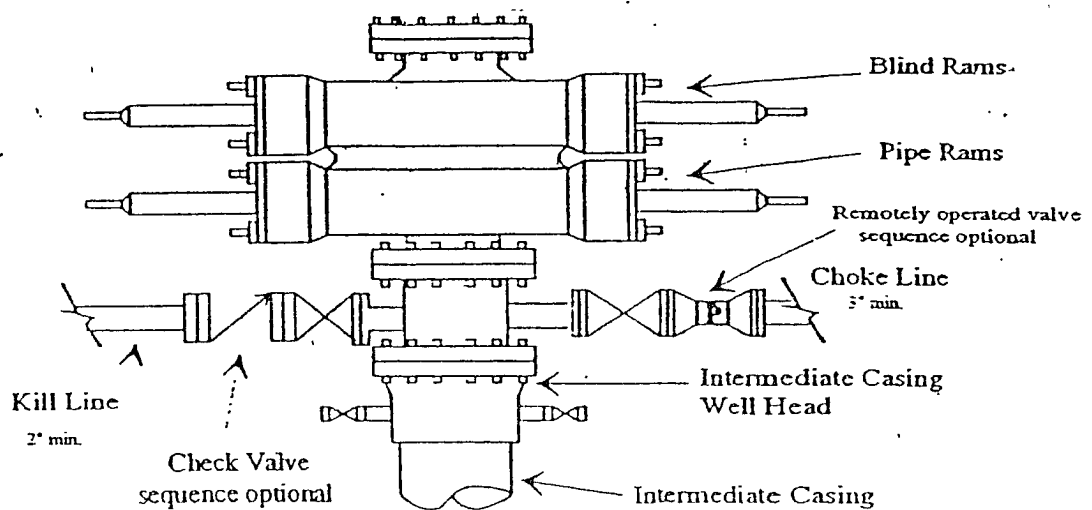
Yates Petroleum plans to plug back and recompleting this well as follows:

Set CIBP @ 12,400' w/35' cement. Set CIBP @ 12,090' w/35' cement. Perforate Upper Penn 10140, 10144' (12). Stimulate as needed. Plan to evaluate this zone, possibly plan to plugback and recompleto to Abo. Set CIBP @ 10,100 w/35' cement. Perforate Abo 9257-59' (3), 9287-9294' (8), 9304-9308' (5), 9312-9318' (7) & 9322', 9333', 9343', 9347', 9348' & 9349' (6). Stimulate as needed.

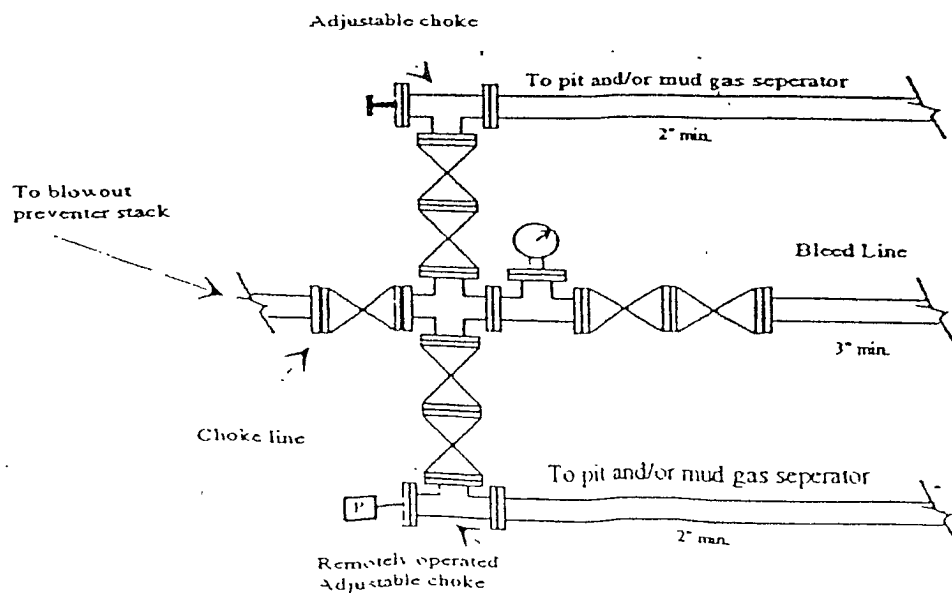
<p>²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/>, a general permit <input type="checkbox"/>, or an (attached) alternative OCD-approved plan <input type="checkbox"/>.</p> <p>Signature: <u>Allison Barton</u></p>		<p>OIL CONSERVATION DIVISION</p> <p>Approved by: <u>[Signature]</u></p>	
<p>Printed name. Allison Barton</p>		<p>Title: PETROLEUM ENGINEER</p>	
<p>Title: Regulatory Compliance Technician</p>		<p>Approval Date.</p>	<p>Expiration Date:</p>
<p>E-mail Address: abarton@ypcnm.com</p>		<p>JAN 20 2009</p>	
<p>Date: 9/17/08</p>	<p>Phone. (575) 748-1471</p>	<p>Conditions of Approval Attached <input type="checkbox"/></p>	

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features



Well Name: Slick AZU State Com No. 1 Field:

Location: 648' FNL & 1980' FEL Sec. 1-13S-34E Lea Co, NM

GL: 4128' Zero: AGL: KB: 4148'

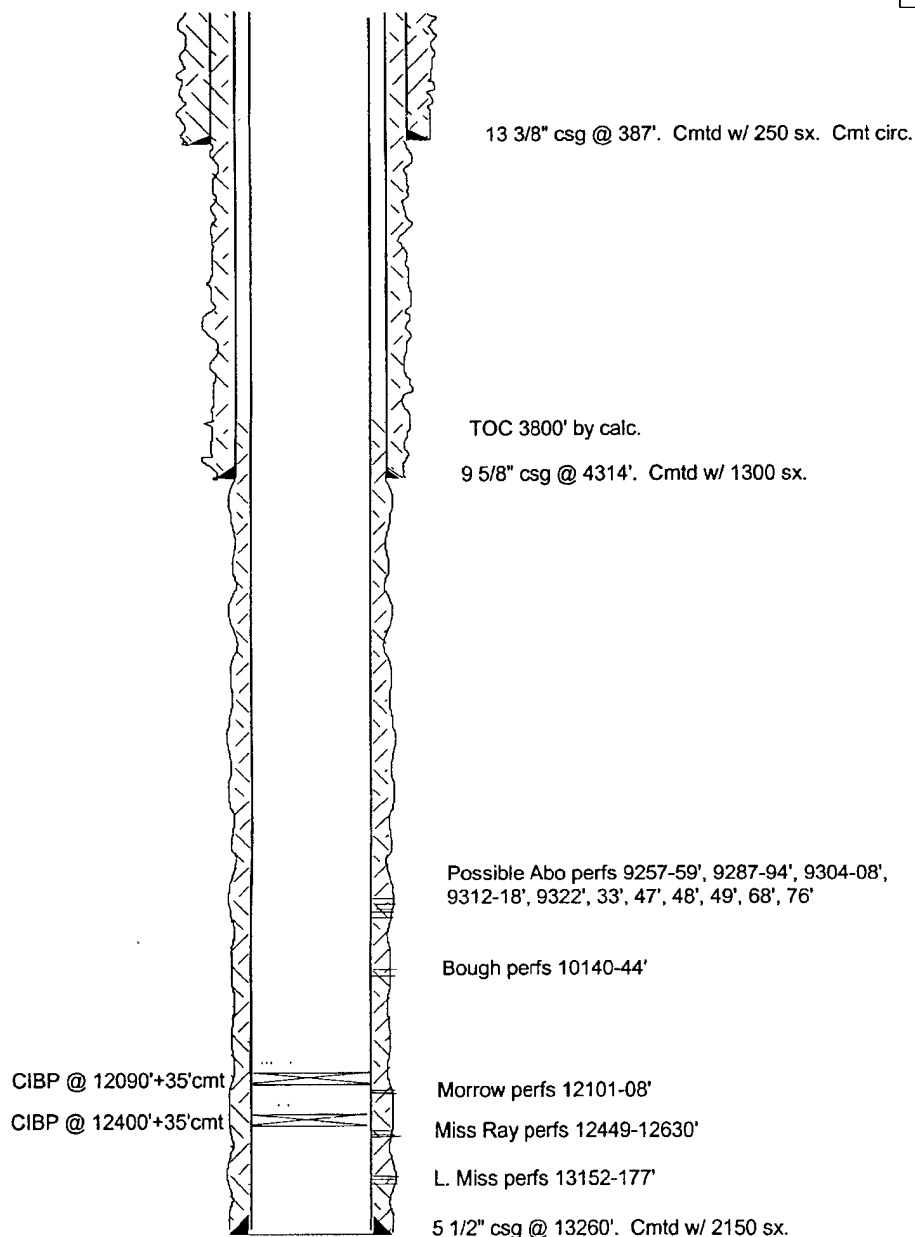
Spud Date: 8/10/57 Completion Date:

Comments: Originally named State of NM E 1865 #1, drilled by Slick Oil Co.

Re-entered by Maralo and cleaned out to 10630'. Deepened by YPC in 2003.

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# H40	387'
9 5/8" 36 & 40#	4314'
5 1/2" 17# N80 & P110	13260'

PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 6/4/07 SLICK1A

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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 June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-01868	² Pool Code 50720	³ Pool Name RANCHO LAKIE Wildcat, Upper Penn
⁴ Property Code 28581	⁵ Property Name Slick AZU State Com	⁶ Well Number 1
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 4128' GR

¹⁰ Surface Location

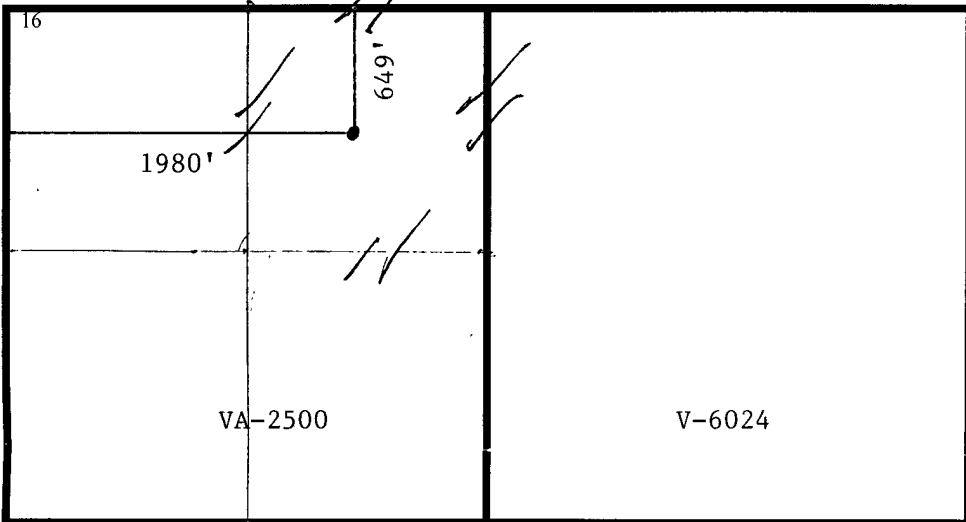
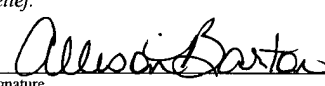
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¹² Dedicated Acres 40.320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Allison Barton Printed Name Regulatory Compliance Technician Title and E-mail Address Date 9/17/08
	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 Certificate Number

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¹² Dedicated Acres 40 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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