

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  
June 16, 2008

RECEIVED

FEB 07 2011

HOBBSUCD

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**

|   |   |   |
|---|---|---|
| <sup>1</sup> Operator Name and Address<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico |   | <sup>2</sup> OGRID Number<br>025575     |
|   |   | <sup>3</sup> API Number<br>30-005-20645 |
| <sup>3</sup> Property Code<br>38485   | <sup>5</sup> Property Name<br>Moped BQP State | <sup>6</sup> Well No.<br>1              |
| <sup>9</sup> Proposed Pool 1<br>Wildcat Wolfcamp  |   | <sup>10</sup> Proposed Pool 2           |

**7 Surface Location**

|                    |               |                  |               |         |                      |                           |                       |                        |                  |
|--------------------|---------------|------------------|---------------|---------|----------------------|---------------------------|-----------------------|------------------------|------------------|
| UL or lot no.<br>O | Section<br>26 | Township<br>15 S | Range<br>31 E | Lot Idn | Feet from the<br>660 | North/South line<br>South | Feet from the<br>1980 | East/West line<br>East | County<br>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**

|  |  |                                      |  |  |
|--|--|--------------------------------------|--|--|
| <sup>11</sup> Work Type Code<br>Re-entry | <sup>12</sup> Well Type Code<br>Oil    | <sup>13</sup> Cable/Rotary<br>Rotary | <sup>14</sup> Lease Type Code<br>State             | <sup>15</sup> Ground Level Elevation<br>4373.6 |
| <sup>16</sup> Multiple<br>No             | <sup>17</sup> Proposed Depth<br>12,300 | <sup>18</sup> Formation<br>Wolfcamp  | <sup>19</sup> Contractor<br>Not known at this time | <sup>20</sup> Spud Date<br>ASAP                |

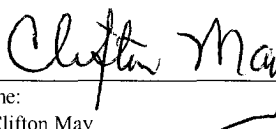
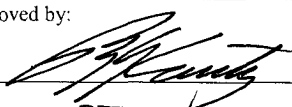
**21 Proposed Casing and Cement Program**

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17.5"     | 12.75"      | 33.3#              | 604'-in place | 610             | Circulated    |
| 11"       | 8.625"      | 32 & 24#           | 4204-in place | 1860            | Circulated    |
| 7.875"    | 5.5"        | 17#                | 12,300'       | 2100            | 4,000'        |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

<sup>22</sup> 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 plans to re-enter this well and clean out the plugs to 12,300'. This well was the H. L. Brown well, State 26 #1. See attached paper for the procedure.

**Permit Expires 2 Years From Approval  
Date Unless Drilling Underway  
Re-Entry**

|  |                        |  |                  |
|--|------------------------|--|------------------|
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. |                        | OIL CONSERVATION DIVISION  |                  |
| Signature:<br>                            |                        | Approved by:<br> |                  |
| Printed name:<br>Clifton May   |                        | Title:<br>PETROLEUM ENGINEER   |                  |
| Title:<br>Land Regulatory Agent  |                        | Approval Date:<br>FEB 11 2011  | Expiration Date: |
| E-mail Address:  |                        |  |                  |
| Date:<br>February 1, 2011  | Phone:<br>575-748-4347 | Conditions of Approval Attached <input type="checkbox"/>   |                  |

YATES PETROLEUM CORPORATION  
Moped BQP State #1 Re-Entry  
660' FSL & 1980' FEL  
Section 26-15S-31E  
Chaves County, New Mexico  
VB-0856

Yates Petroleum Corporation plans to re-enter this well with a pulling unit to drill out the plugs in the 8.625" casing to the intermediate plug at 4150'-4250'. The casing will be tested and if the casing test okay, the pulling unit will be rigged down and a drilling rig will be moved on the well.

The drilling rig will drill out the plug at the base of the intermediate casing and continue into open hole to drill out plugs at 5552'-5652', 7480'-7580', 8910'-9010' and 9833'-9933'. After conditioning the hole to 12,300', open hole logs will be ran.

Should the open hole logs show potential for production, 5.5" casing will be ran being 17# HCP-110, L-80, & J-55 and cemented back to approximately 4,000'. A completion procedure will be designed based on interpretation of open hole logs.

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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 July 16, 2010  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|  |  |   |
|--|--|---|
| <sup>1</sup> API Number<br><b>30-005-20645</b> | <sup>2</sup> Pool Code<br><b>96794</b>                           | <sup>3</sup> Pool Name<br><b>Wildcat Wolfcamp</b> |
| <sup>4</sup> Property Code<br><b>38485</b>     | <sup>5</sup> Property Name<br><b>Moped BQP State</b>             | <sup>6</sup> Well Number<br><b>1</b>              |
| <sup>7</sup> OGRID No.<br><b>025575</b>        | <sup>8</sup> Operator Name<br><b>Yates Petroleum Corporation</b> | <sup>9</sup> Elevation<br><b>4373.6</b>           |

<sup>10</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0             | 26      | 15S      | 31E   |         | 660           | South            | 1980          | East           | Chaves |

<sup>11</sup> 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|               |         |          |       |         |               |                  |               |                |        |

|  |                               |                                  |                         |
|--|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br><b>40</b> | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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 |  |  |  | <p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p><i>Clifton May</i>      2/2/11<br/>Signature      Date</p> <p><b>Clifton May</b><br/>Printed Name</p> <p><b>cliff@yatespetroleum.com</b><br/>E-mail Address</p> |
|    |  |  |  |   |
|    |  |  |  |   |
|    |  |  |  |   |
|    |  |  |  | <p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p><b>REFER TO ORIGINAL PLAT</b></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>   |
|    |  |  |  | <p>Certificate Number</p>   |

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102  
Supersedes O-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

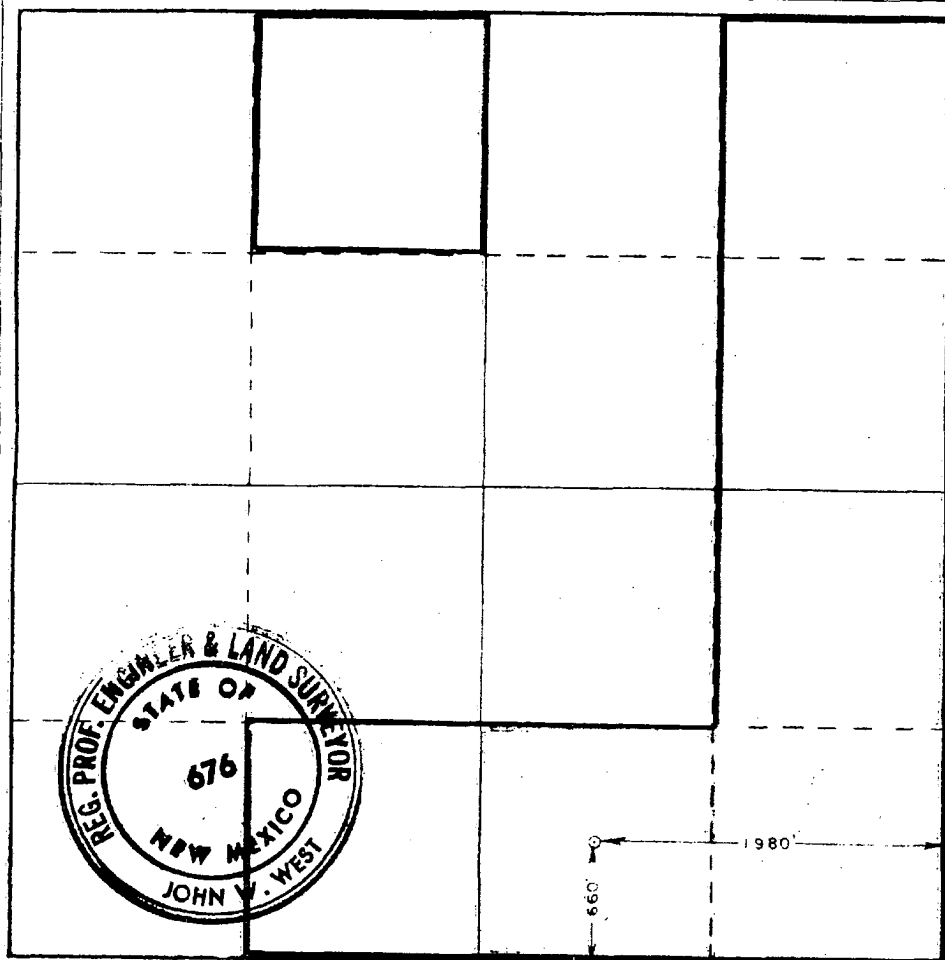
|                                    |                                     |                             |                                 |                           |                      |
|------------------------------------|-------------------------------------|-----------------------------|---------------------------------|---------------------------|----------------------|
| Owner<br><b>H. L. Brown, Jr.</b>   |                                     |                             | Lease<br><b>State #26</b>       |                           | Well No.<br><b>1</b> |
| Lot Letter<br><b>O</b>             | Section<br><b>26</b>                | Township<br><b>15 South</b> | Range<br><b>31 East</b>         | County<br><b>Chaves</b>   |                      |
| Actual Footage Location of Well:   |                                     |                             |                                 |                           |                      |
| <b>660</b>                         | feet from the <b>South</b>          | line and                    | <b>1980</b>                     | feet from the <b>East</b> | line                 |
| Ground Level Elev<br><b>4373.6</b> | Producing Formation<br><b>Mazon</b> | Pool<br><b>Wildcat</b>      | Dedicated Acreage:<br><b>40</b> |                           |                      |

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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation **N/A**

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use 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 interests, has been approved by the Commission.



CERTIFICATION

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

*John D. Davidson*  
Name

**Prod. Acctg. Supervisor**  
Position

**H. L. Brown, Jr.**  
Company

**Sept. 13, 1978**  
Date

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.

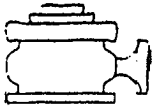
Date Surveyed

**September 6, 1978**

Registered Professional Engineer  
and/or Land Surveyor

*John W. West*  
Certificate No. **John W. West 676**

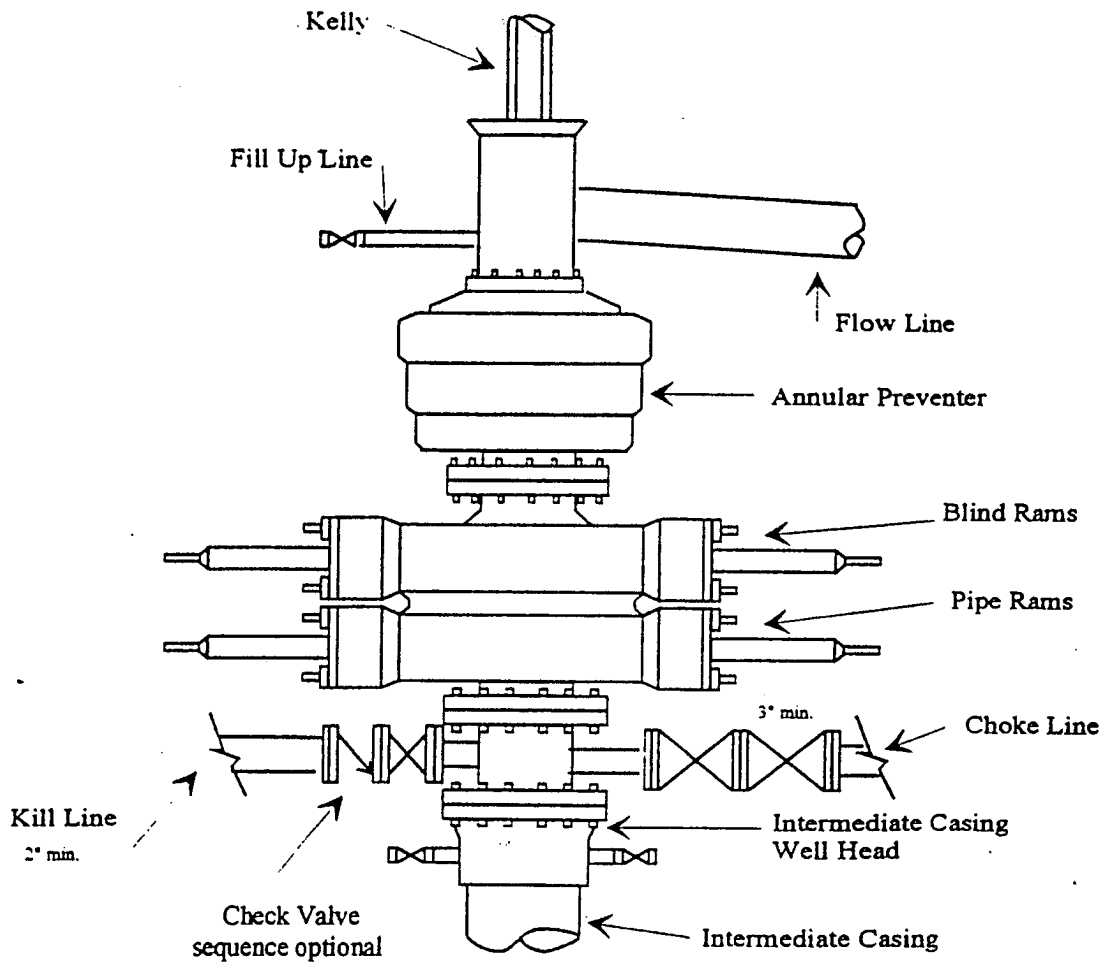
**Ronald J. Eidson 3239**



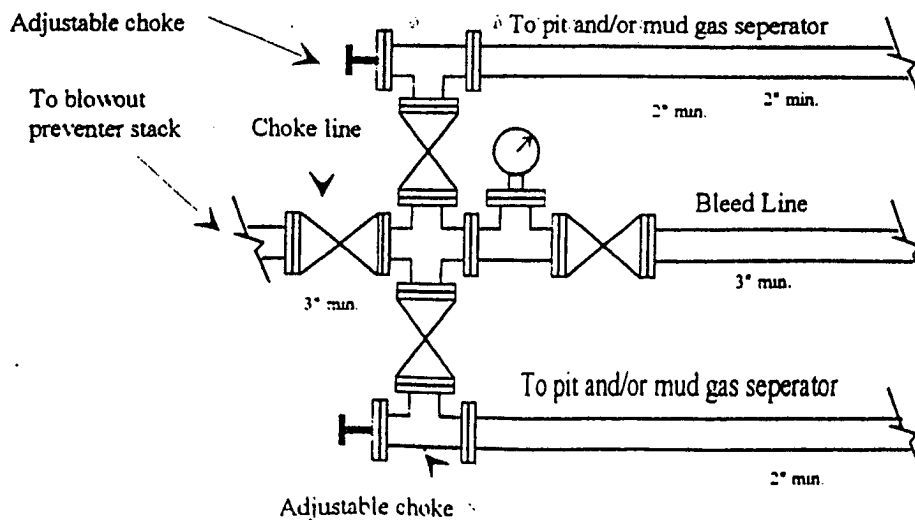
# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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



Well Name: Moped BQP State #1 Field: \_\_\_\_\_

Location: 660' FSL & 1980' FEL Sec. 26-15S-31E Chaves Co, NM

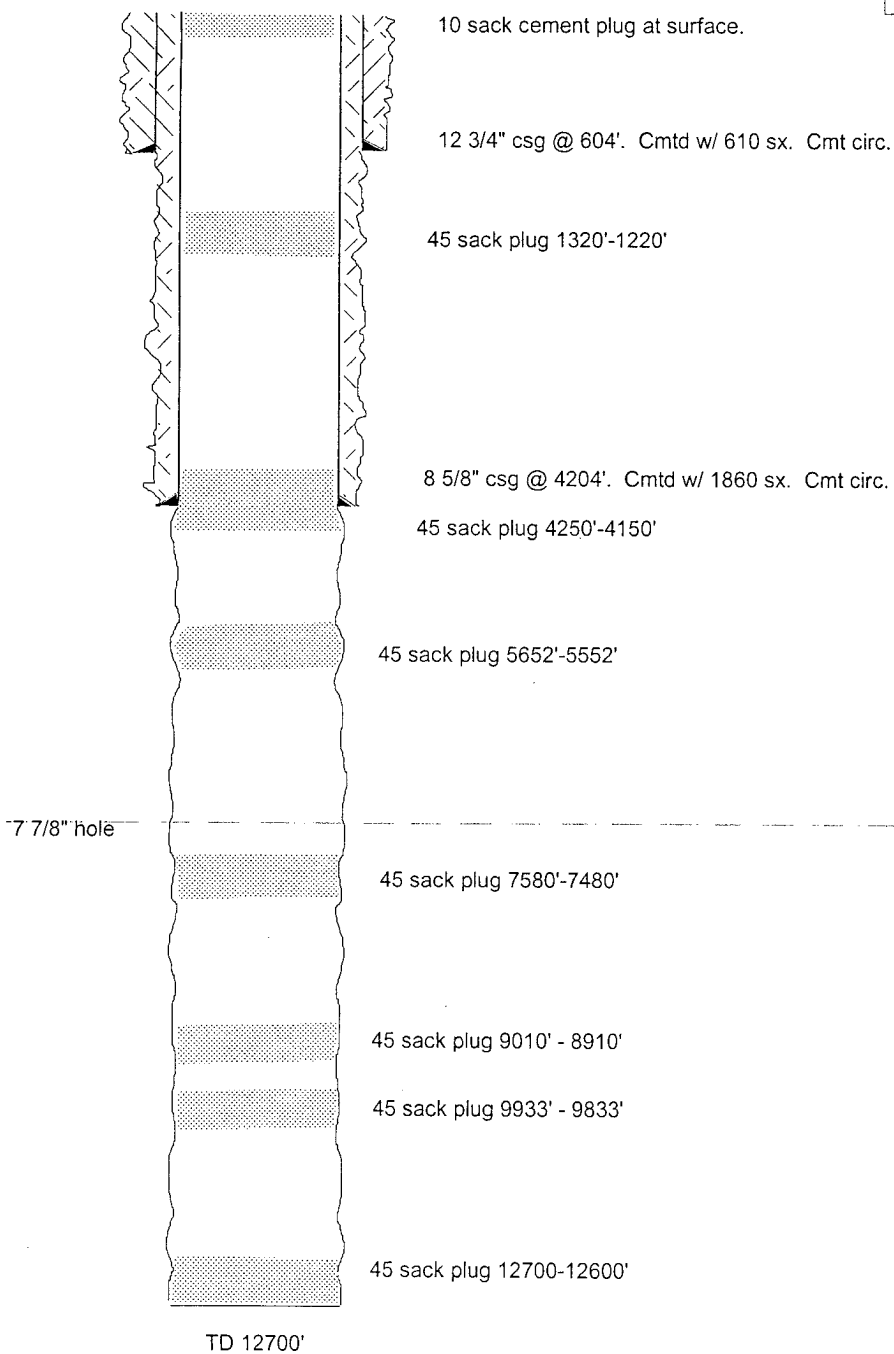
GL: 4373.6' Zero: \_\_\_\_\_ AGL: \_\_\_\_\_ KB: 4389' (est)

Spud Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_

Comments: Re-entry of H.L. Brown's State 26 #1. Well log reported DF elev  
to be 4388'

| Casing Program     |           |
|--------------------|-----------|
| Size/Wt/Grade/Conn | Depth Set |
| 12 3/4" 33.3#      | 604'      |
| 8 5/8" 24 & 32#    | 4204'     |
|                    |           |
|                    |           |
|                    |           |
|                    |           |

CURRENT CONFIGURATION



SKETCH NOT TO SCALE

DATE: 1/17/11 ST26\_1

Well Name: Moped BQP State #1 Field: \_\_\_\_\_

Location: 660' FSL & 1980' FEL Sec. 26-15S-31E Chaves Co, NM

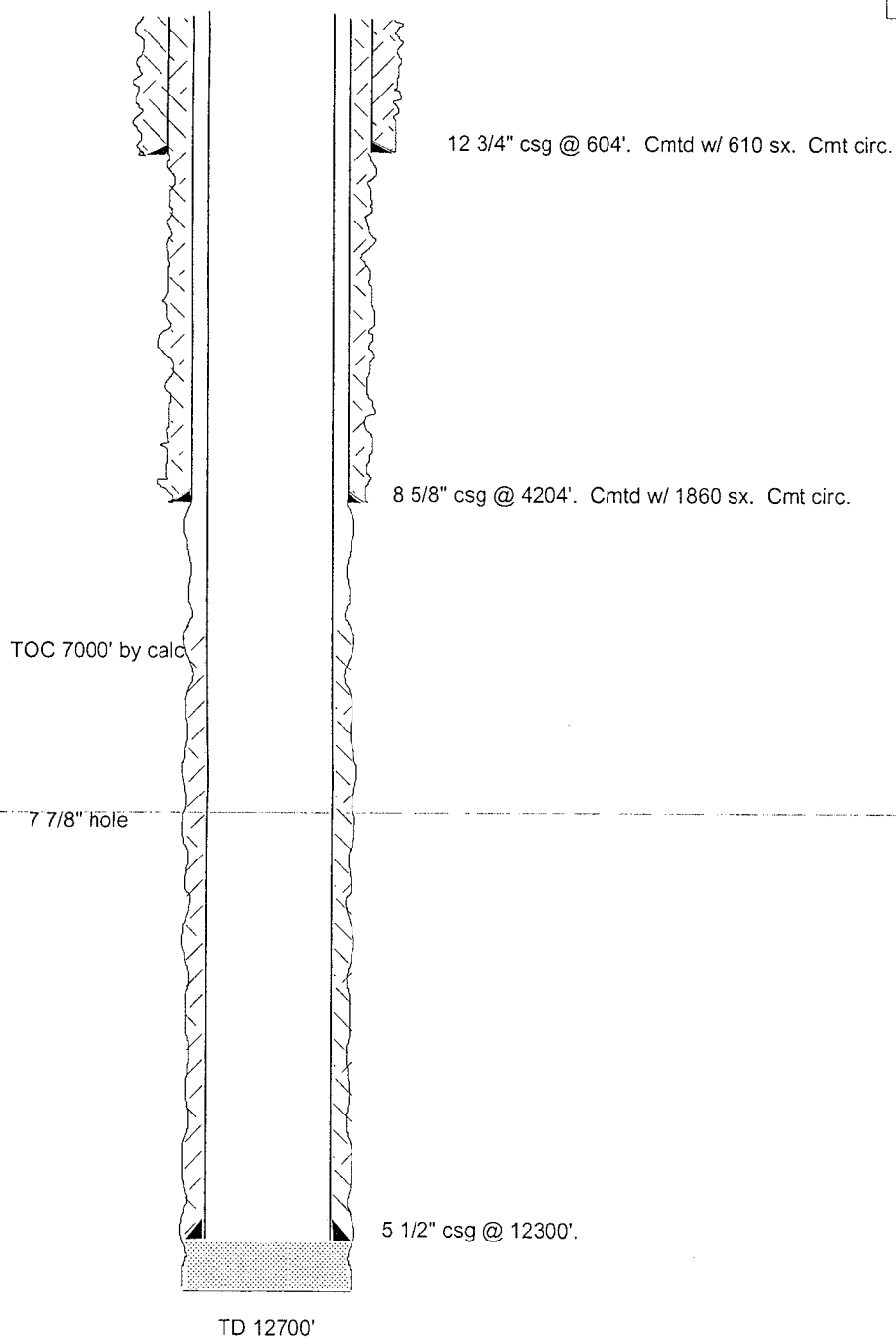
GL: 4373.6' Zero: \_\_\_\_\_ AGL: \_\_\_\_\_ KB: 4389' (est)

Spud Date: \_\_\_\_\_ Completion Date: \_\_\_\_\_

Comments: Re-entry of H.L. Brown's State 26 #1. Well log reported DF elev  
to be 4388'

| Casing Program              |           |
|-----------------------------|-----------|
| Size/Wt/Grade/Conn          | Depth Set |
| 12 3/4" 33.3#               | 604'      |
| 8 5/8" 24 & 32#             | 4204'     |
| 5 1/2" 17# J55, L80, HCP110 | 12300'    |
|                             |           |
|                             |           |
|                             |           |

### PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 1/17/11 ST26\_1A