

New Mexico Oil Conservation Division, District I  
1625 N. French Drive  
Hobbs, NM 88240

RECEIVED

Form 3160-3  
(February 2005)

JAN 14 2011

HOBBSOCD

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB NO. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No.

NM-105888

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA Agreement, Name and No.

N/A

8. Lease Name and Well No.

Scooter "BPS" Federal #2H

9. API Well No.

3D-005-29173

Field and Pool, or Exploratory

Wildcat Wolfcamp

1a. Type of Work: ☒ DRILL

☐ REENTER

1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

Yates Petroleum Corporation 025575

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of well (Report location clearly and in accordance with any State requirements. \*)

At surface

2290' FNL & 200' FEL, SENE, Section 28-T15S-31E

Unit A

At proposed prod. zone

Unit E 1680' FNL & 330' FWL, SWNW, Section 28-T15S-R31E

11. Sec., T., R., M., or Blk. And Survey or Area

Sec. 28-15S-31E

14. Distance in miles and direction from the nearest town or post office\*

Approximately 9.5 miles north of Maljamar, NM

12. County or Parish

Chaves

13. State

NM

15. Distance from proposed\*  
location to nearest

(Also to nearest drlg. unit line, if any) 330'

16. No. of acres in lease

320.00

17. Spacing Unit dedicated to this well

S2N2-Sec.28-15S-31E

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft.

8785 VD & 13460 MD

20. BLM/ BIA Bond No. on file

NATIONWIDE BOND #NMB000434

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

4395

22. Approximate date work will start\*

ASAP

23. Estimated duration

60 days

24. Attachments

ROSWELL CONTROLLED WATER BASIN

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. ap

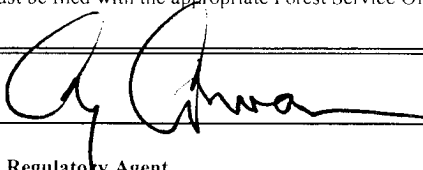
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by existing bond on file (see item 20 above).

5. Operator certification.

6. Such other site specific information and/ or plans as may be required by the BLM

25. Signature



Name (Printed/ Typed)

Cy Cowan

Date

12/1/10

Title

Land Regulatory Agent

Approved By (Signature)

/s/ Angel Mayes

Name (Printed/ Typed)

Angel Mayes

Date

01/11/2011

Title

Assistant Field Manager,  
Lands And Minerals

Office

ROSWELL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to cc operations thereon.

Conditions of approval, if any, are attached.

APPROVED FOR 2 YEARS

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

DECLARED WATER BASIN

K2 02/11/11  
PETROLEUM ENGINEER

CASEMENT BEHIND THE 138"  
CASING MUST BE

CIRCULATED WITNESS

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS ATTACHED

1625 N. French Dr., Hobbs, NM 88240

1901 W. Grand Avenue, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

Form C-102  
Revised October 15, 2009

Submit one copy to appropriate  
District Office

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-005-29173	Pool Code 87722	Pool Name Wildcat Wolfcamp
Property Code 38483	Property Name SCOOTER "BPS" FEDERAL	Well Number 2H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 4395'

### 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	28	15 S	31 E		2290	NORTH	200	EAST	CHAVES

## Bottom Hole Location If Different From Surface

UL or lot No. E	Section 28	Township 15 S	Range 31 E	Lot Idn	Feet from the 1680	North/South line NORTH	Feet from the 330	East/West line WEST	County CHAVES
Dedicated Acres 160	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

**Project Area**      **Production Zone**      **Penetration Point**

2228' FNL & 683' FEL

1680'      2290'

330'      4802.3'      4398.4'      2000'      4393.9'      4196.4'      4392.2'

**PROPOSED BOTTOM HOLE LOCATION**

Lat - N 32°59'22.16"  
 Long - W 103°59'03.75"  
 NMSPCE- N 724074.721  
 E 694328.407  
 (NAD-83)

**SURFACE LOCATION**

Lat - N 32°59'16.12"  
 Long - W 103°49'07.83"  
 NMSPCE- N 723486.775  
 E 699094.578  
 (NAD-83)

**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.

*Cy Cowan*      11/30/10  
 Signature      Date

**Printed Name**

**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.

**GARY L. JONES**      2010  
 Date Surveyed

**NEW MEXICO**  
 Signature & Seal of Professional Surveyor

**CERTIFICATE NO. 7977**

**Basin Surveys, Inc.**      2014

Certificate No. Gary L. Jones      7977

**BASIN SURVEYS**

YATES PETROLEUM CORPORATION  
 Scooter "BPS" Federal #2H  
 2290' FNL and 200' FEL, Section 28-15S-31E, Surface Hole Location  
 1680' FNL & 330' FWL, Section 28-15S-31E, Bottom Hole Location  
 Chaves County, New Mexico

1. The estimated tops of geologic markers are as follows:
- |              |               |              |               |
|--------------|---------------|--------------|---------------|
| Yates        | 2445'         | Tubb         | 6765'         |
| Seven Rivers | 2695'         | Abo          | 7545' Oil/Gas |
| Queen        | 3265' Oil/Gas | Wolfcamp     | 8955' Oil     |
| San Andres   | 4005' Oil     | TVD          | 8785'         |
| Glorieta     | 5505' Oil     | TMD Lateral) | 13460'        |

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 160'

Oil or Gas: Zones: 3265' Oil/Gas, 4005' Oil, 5505' Oil, 7545' Oil & 8955' Oil.

3. Pressure Control Equipment: BOPE will be installed on the 13 3/8" and 9 5/8" casing and rated for 3000# BOP System. Pressure tests will be conducted before drilling out from under all casing strings, which are set and cemented in place. Blowout Preventer controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.
4. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment, and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when Kelly is not in use.
5. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: All new casing to be used

*OK 12/6/2010*

Hole Size	Casing Size	Wt./Ft	Grade	Coupling	Interval	Length
17 1/2"	13 3/8"	48#	H-40	ST&C	0-400'	400'
12 1/4"	9 5/8"	40#	J-55	ST&C	0-100'	100'
12 1/4"	9 5/8"	36#	J-55	ST&C	100'-3300'	3200'
12 1/4"	9 5/8"	40#	J-55	ST&C	3300'-4100'	800'
8 3/4"	7"	26#	J-55	LT&C	0'-100'	100'
8 3/4"	7"	23#	J-55	LT&C	100'-5700'	5600'
8 3/4"	7"	26#	J-55	LT&C	5700'-7900'	2200'
8 3/4"	7"	26#	L-80	LT&C	7900'-8300'	400'
6 1/8"	4 1/2"	11.6#	HCP-110	LT&C	8100'-13460'	5360'

(Peak Completion Liner Assembly)

Minimum Casing Design Factors: Burst 1.0, Tensile Strength 1.8, Collapse 1.125

B. CEMENTING PROGRAM:

Surface Casing: Cement with 425 sacks Class C (Yld 1.34Wt. 14.80). TOC surface.

Intermediate Casing: Lead with 1175 sacks of C Lite (Yld 2.00 Wt 12.50). Tail in with 200 sacks Class C (YLD 1.34 WT 14.80 YLD). TOC surface

Intermediate 2 Casing: Cement with 1125 sacks C Lite (Yld 2.00 Wt 12.50). Tail in with 200 sacks Class C (Yld 1.34 Wt. 14.80). TOC surface.

Production: There is no production cement. Using packer/port system.

Well will be drilled with an 8 3/4" hole to 8300'. 7" casing will then be set at 8300' and cemented to surface. A 6 1/8" hole will then be drilled to kick off point of 8398'. Curve will be drilled at 12 degrees per 100' and the lateral will be drilled with a 6 1/8" hole to 8785' TVD (13460' MD) where a 4 1/2" liner with peak completion system will be set from 8100'-13360' and not cemented. Penetration point of producing formation will be encountered at 2228' FNL and 683' FEL in Section 28-15S 31E. Deepest TVD in the well will be in the lateral at 8875'.

6. MUD PROGRAM AND AUXILIARY EQUIPMENT:

*9th. 12/06/2010*

Interval	Type	Weight	Viscosity	Fluid Loss
<i>425+</i> 0'-400'	Fresh Water Gel	8.60-9.00	28-32	N/C
<del>400</del> 400'-4100'	Brine Water	10.00-10.20	28-29	N/C
4100'-7500'	Cut Brine	8.70-9.00	28-29	N/C
7500'-8393'	Cut Brine	8.70-9.20	28-32	<10
8393'-13455'	Cut Brine(Lateral Section)	8.50-8.90	28-32	<10

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Rig personnel will check mud hourly.

7. EVALUATION PROGRAM:

Samples: Every 10' from intermediate casing to TD  
Logging: MWD-GR  
Coring: None anticipated  
DST's: None Anticipated  
Mudlogging: Yes. From intermediate casing

8. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Maximum Anticipated BHP:

*425+*

<del>0'-400'</del> <i>425+</i>	187 PSI
<del>400'-4100'</del>	2175 PSI
4100'-8875'	4107 PSI

Abnormal Pressures Anticipated: None  
Lost Circulation Zones Anticipated: None.  
H2S Zones Anticipated: None Anticipated  
Maximum Bottom Hole Temperature: 150 F

9. ANTICIPATED STARTING DATE:

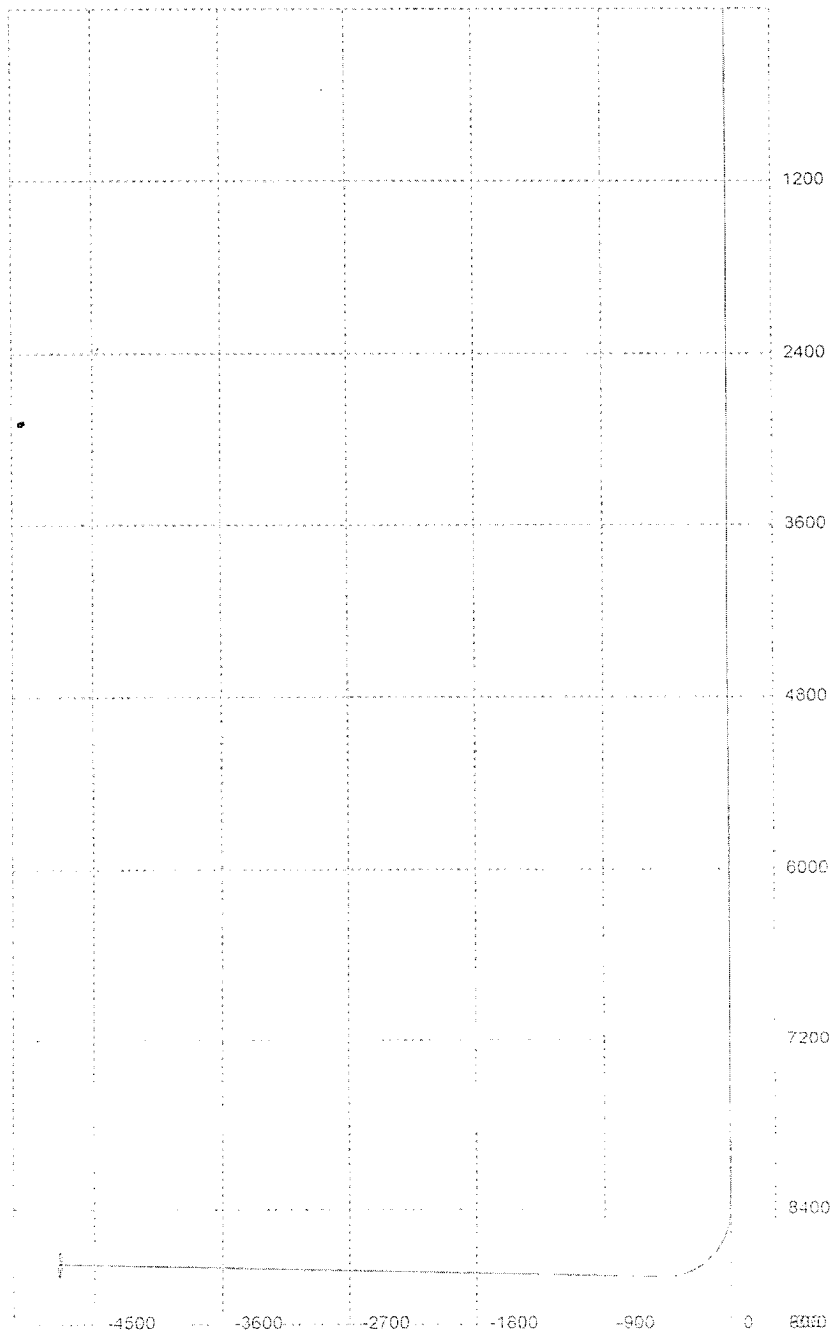
Plans are to drill this well as soon as possible after receiving approval. It should take approximately 60 days to drill the well with completion taking another 20 days.

M.D.	Inclination	Azimuth	T.V.D.	N+/S.	E+/W.	D.L.S.	ToolFace	T.F.,Ref.[HS/GN]	
0	0	0	0	0	0	0			
2,445	0	0	2,445	0	0	0			YATES
2,695	0	0	2,695	0	0	0			SEVEN RIVERS
3,265	0	0	3,265	0	0	0			QUEEN
4,005	0	0	4,005	0	0	0			SAN ANDRES
5,505	0	0	5,505	0	0	0			GLORIETA
6,765	0	0	6,765	0	0	0			TUBB
7,545	0	0	7,545	0	0	0			ABO
8398	0	0	8398	0	0	12	277	GN	KOP
8400	0.24	277.32	8400	0	0	12	360	HS	
8425	3.24	277.32	8424.99	0.1	-0.76	12	360	HS	
8450	6.24	277.32	8449.9	0.36	-2.81	12	360	HS	
8475	9.24	277.32	8474.67	0.79	-6.14	12	0	HS	
8500	12.24	277.32	8499.23	1.38	-10.77	12	0	HS	
8525	15.24	277.32	8523.51	2.14	-16.65	12	0	HS	
8550	18.24	277.32	8547.45	3.06	-23.8	12	360	HS	
8575	21.24	277.32	8570.97	4.13	-32.17	12	360	HS	
8600	24.24	277.32	8594.03	5.36	-41.75	12	360	HS	
8625	27.24	277.32	8616.54	6.74	-52.52	12	0	HS	
8650	30.24	277.32	8638.46	8.28	-64.44	12	0	HS	
8675	33.24	277.32	8659.72	9.95	-77.49	12	360	HS	
8700	36.24	277.32	8680.26	11.77	-91.61	12	0	HS	
8725	39.24	277.32	8700.03	13.71	-106.79	12	0	HS	
8750	42.24	277.32	8718.97	15.79	-122.97	12	0	HS	
8775	45.24	277.32	8737.03	17.99	-140.11	12	0	HS	
8800	48.24	277.32	8754.16	20.31	-158.17	12	0	HS	
8825	51.24	277.32	8770.32	22.74	-177.09	12	360	HS	
8850	54.24	277.32	8785.45	25.28	-196.82	12	0	HS	
8875	57.24	277.32	8799.52	27.91	-217.31	12	0	HS	
8900	60.24	277.32	8812.49	30.63	-238.51	12	0	HS	
8925	63.24	277.32	8824.33	33.43	-260.35	12	360	HS	
8950	66.24	277.32	8835	36.31	-282.77	12	0	HS	
8975	69.24	277.32	8844.47	39.26	-305.71	12	0	HS	
9000	72.24	277.32	8852.71	42.27	-329.12	12	0	HS	
9025	75.24	277.32	8859.71	45.32	-352.92	12	0	HS	
9050	78.24	277.32	8865.44	48.42	-377.05	12	360	HS	
9075	81.24	277.32	8869.9	51.55	-401.45	12	360	HS	
9100	84.24	277.32	8873.06	54.71	-426.05	12	0	HS	
9125	87.24	277.32	8874.91	57.89	-450.77	12	0	HS	
9150	90.24	277.32	8875.46	61.07	-475.56	12	0	HS	
9158.03	91.2	277.32	8875.36	62.09	-483.52	12	0	HS	PAY ZONE
13460.49	91.2	277.32	8785	610	-4750	0			LATERAL TD

Well will be drilled with 8 3/4" hole to 8300'. 7" casing will then be set @ 8300' and cemented to surface. A 6 1/8" hole will then be drilled to KOP of 8398'. Curve will be drilled @ 12 degrees/100' and the lateral will be drilled with a 6 1/8" hole to 8,785' TVD (13,460' MD) where 4 1/2" liner w/peak completion system will be set from 8100'-13,460' and NOT cemented. Penetration point of producing formation encountered at 2228' FNL and 683' FEL. 28-15S-31E. Deepest TVD of the well will be in the lateral @ 8875'.

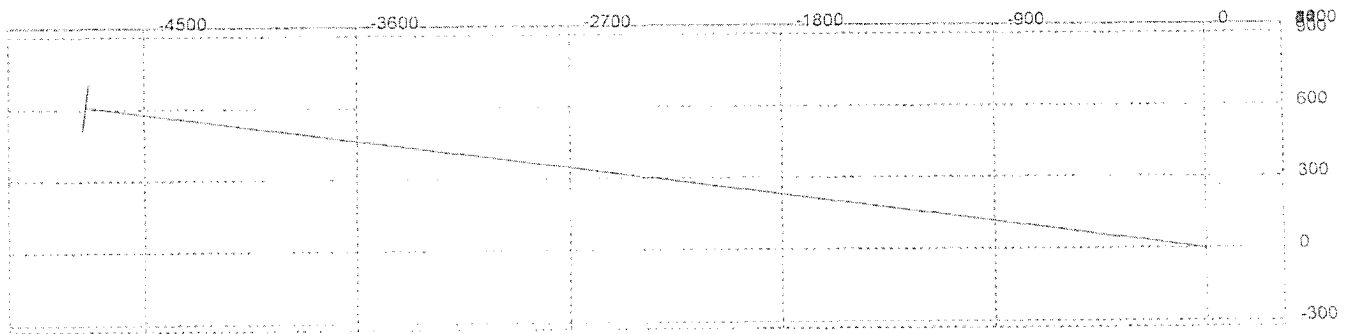
# 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation  
Well: Scooter BPS Federal #2H



# 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation  
Well: Scooter BPS Federal #2H

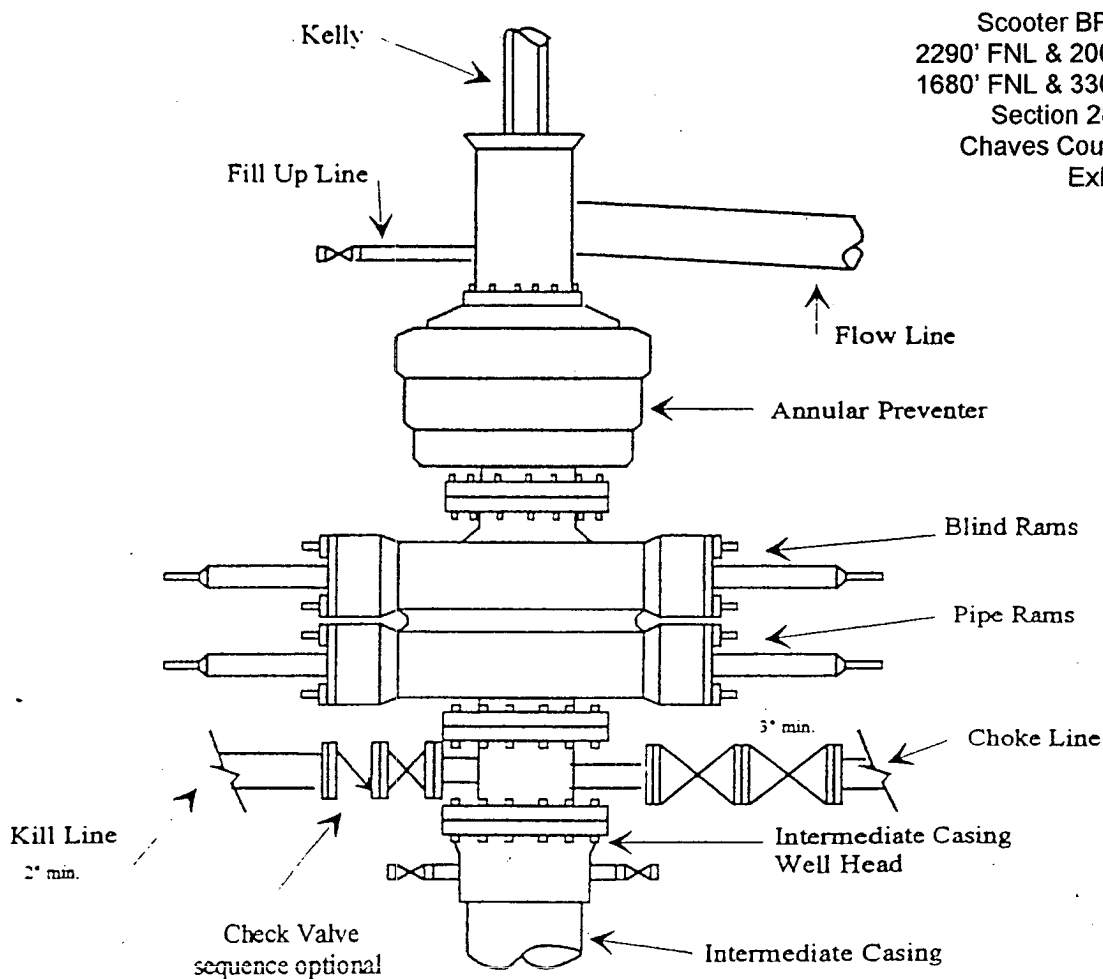




# Yates Petroleum Corporation

BOP-3

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



Scooter BPS Federal #2H  
2290' FNL & 200' FEL, Surface Hole  
1680' FNL & 330' FWL, Bottom Hole  
Section 28, T15S-R31E  
Chaves County, New Mexico  
Exhibit "B"

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

