

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised March 17, 1999  
Instructions on back  
Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

DISTRICT II  
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

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

PO BOX 2088  
Santa Fe, NM 87504-2088

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87501

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-025-01817
<sup>4</sup> Property Code 29787	<sup>5</sup> Property Name Royal "BAC" State Com #1	<sup>6</sup> Well No. 1

<sup>7</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
1	24	10S	34E		1980	South	660	East	Lea

<sup>8</sup> 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
<sup>9</sup> Proposed Pool 1 Wildcat Mississippian					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code E	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 4150'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 12,400'	<sup>18</sup> Formation Mississippian	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/4"	13 3/8	48#	368'-in place	350 sx	Circulated
11"	8 5/8"	32# & 36#	4185'-in place	2350 sx	Circulated
7 7/8"	5 1/2"	17# & 20#	12,400'	850 sx	TOC-7000'

<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.

See Attached Sheet

Permit Expires 1 Year From Approval  
Date Unless Drilling is Underway

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Clifton R. May</i>		OIL CONSERVATION DIVISION ORIGINAL SIGNED BY Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER	
Printed name: Clifton R. May		Title:	
Title: Regulatory Agent		Approval: MAY 29 2002	Expiration Date:
Date: 05/29/02	Phone: (505) 748-1471	Conditions of Approval Attached <input type="checkbox"/>	

SLA

*[Handwritten signature]*

# **YATES PETROLEUM CORPORATION**

**Royal "BAC" State Com #1 Re-entry**

**1980' FSL & 660' FEL**

**Section 24-T10S-R34E**

**Lea County, New Mexico**

**Lease VA-1948**

**Drilling Plans:** Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Shell Oil Company as their Royal Unit #1 which was plugged in August 1962. Yates will use a pulling unit to drill out the cement plugs in the 8 5/8" casing which was set at 4185' and cemented with 2350 sacks. The integrity of the 8 5/8" casing will be tested. After the casing has been tested a drilling rig will be moved on the well. The plugs in the 7 7/8" open hole will be drilled out to the original TD of 10,500'. Then the well bore will be drilled deeper to a new TD of 12,400'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 5 1/2" production casing to TD and will be cemented with approximately 850 sacks of cement to bring the cement top up to 7000'+/-. The mud program to be used will be 9.4 – 9.8 ppg brine water with a 55-70 viscosity. A 5000# BOPE will be installed on the 8 5/8" casing.

**The well will be completed using a pulling unit. The Morrow formation or Atoka formation will be the main target for completion.**

DISTRICT I  
1828 N. French Dr., Hobbs, NM 88240  
DISTRICT II  
811 South First, Artesia, NM 83210

DISTRICT III  
1000 Rio Bravos Rd., Asteo, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
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 <b>30-025-01817</b>	Pool Code <b>✓</b>	Pool Name <b>Wildcat Mississippian</b>
Property Code <b>29787</b>	Property Name <b>Royal "BAC" State Com</b>	Well Number <b>1</b>
OCED No. <b>025575</b>	Operator Name <b>Yates Petroleum Corporation</b>	Elevation <b>4150'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	24	10S	34E		1980	South	660	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 320 S/2	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

				<b>OPERATOR CERTIFICATION</b>  <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  <b>Clifton R. May</b> Signature <b>Clifton R. May</b> Printed Name <b>Regulatory Agent</b> Title <b>May 29, 2002</b> Date
				<b>SURVEYOR CERTIFICATION</b>  <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>  Refer to Original Plat Date Surveyed Signature & Seal of Professional Surveyor  Certificate No. <b>Herachel L. Jones RLS 3640</b>  GENERAL SURVEYING COMPANY

VA-1949

VA-1948

660'

1980'

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128  
Revised 5/1/57  
HOBBS OFFICE OCC

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

SECTION A

Operator <b>Shell Oil Company</b>		Lease <b>Royal Unit</b>		Well No. <b>1</b>	
Unit Letter <b>I</b>	Section <b>24</b>	Township <b>10S</b>	Range <b>34E</b>	County <b>Lee</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>south</b> line and <b>660</b> feet from the <b>east</b> line					
Ground Level Elev. <b>not available</b>	Producing Formation <b>Pennsylvanian</b>		Pool <b>Wildcat</b>	Dedicated Acreage: <b>40</b> Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES \_\_\_\_\_ NO X. ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)
2. If the answer to question one is "no," have the interests of all the owners been consolidated by communitization agreement or otherwise? YES X NO \_\_\_\_\_. If answer is "yes," Type of Consolidation **State Unit**
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B

D	C	B	A
E	F	G	H
L	K	J	I
M	N	O	P

Diagram showing well location: A point is marked with a circle and crosshair. A horizontal line segment from the right edge of the grid to the point is labeled 660'. A vertical line segment from the bottom edge of the grid to the point is labeled 1980'.

CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name	Original Signed By
<b>B. A. Lowery</b>	<b>B. A. LOWERY</b>
Position	
<b>District Exploitation Engineer</b>	
Company	
<b>Shell Oil Company</b>	
Date	
<b>June 27, 1962</b>	

I hereby certify that the well location shown on the plat in SECTION B 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
<b>June 22, 1962</b>
<b>T. J. Chapman, Jr., Chief Surveyor</b>
<b>Shell Oil Company</b>
<i>T. J. Chapman, Jr.</i>

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

WELL: ROYAL UNIT #1  
 LOCATION: Sec. 24, T10S-R34E  
 1980' FSL & 660' FEL

FIELD: FOUR LAKES AREA WILDCAT  
 COUNTY: Lea, N. Mexico

SPUD DATE: 7-12-62 COMPLETION DATE: 8-31-62  
 GL: 4150'

CASING  
 13 3/8" 45# H-40 368'  
 8 5/8" 32# 36" 4169'

**YATES PETROLEUM CORPORATION**

Royal "BAC" State Com #1 Re-entry

1980' FSL & 660' FEL

Section 24-T10S-R34E

Lea County, New Mexico

Lease VA-1948

CAP 105 X 2 CM

13 3/8" @ 368'  
 W/ 350 SX (CIRC)

17 1/2"  
 hole

11"  
 hole

BEFORE

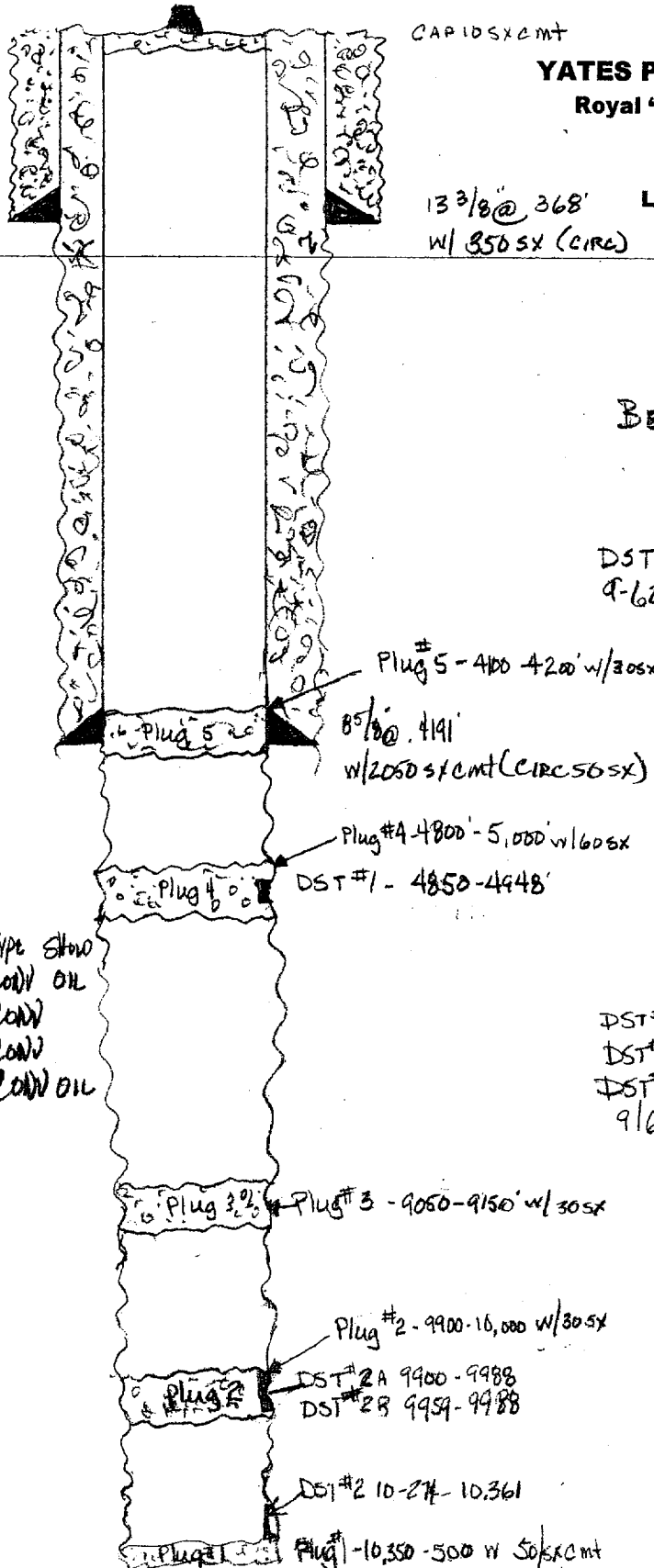
DST #1: 4850-4948' (98 SAND ANDRES)  
 9-62 Tool open 30 mins thru 5/8" BC  
 3/8" TC, 4 1/2" DS. OPENED W/ STROU:  
 Blow, COOT thru-out test. NGTS  
 REC 810' (11.3 BBLS) WATER CUT  
 DRUNG MUD; 180' (2.5 BBLS) M  
 Cut salt wtr, 1440' (18.7 BBLS)  
 Salt wtr. Rec wtr + titrated  
 73,600 ppm CL. Pit mud 4000 P  
 CL. BHT 116°, 30 mins. 1518 HP 18  
 psi. FBHP 745-1158 psi. 61 min FSI  
 1744 psi. HMP 2373-2342 PS  
Conclusive Test.

DST #2A - 9900-9988' (88' Penn) PKR F  
 DST #2B - 9959-9988' (29' Penn) PKR F  
 DST #2 - 10,274-361 (87' Penn) Tool  
 9/62' open 1 hr. thru 5/8" BC, 1" TC  
 4 1/2" DPW/good blow Decreasing  
 to weak in 15 mins. NGTS.  
 Rec 220' gas cut mud. Recov  
 mud + titrated 76,000 + 109.  
 ppm CL. Pit mud TITRATED 64,000  
 ppm CL. 60 mins. 1518 HP 2900 psi. F  
 128 PSI. 90 mins. FSI BHP 1550 psi  
 BHT 158°  
Conclusive Test.

CORE DATA: Rec. Type Show  
 9035-9988 50.5' CONV OIL  
 9988-10041 53' CONV  
 10041-10091 50' CONV  
 10430-10463 33' CONV OIL

TOPS: YATES 2842  
 SAN ANDRES 4120  
 YESO 5567  
 DRINKARD 7012  
 ARBORE 9813  
 WOLF 9128  
 TEAD 9908

5/64/02  
 Not to Scale

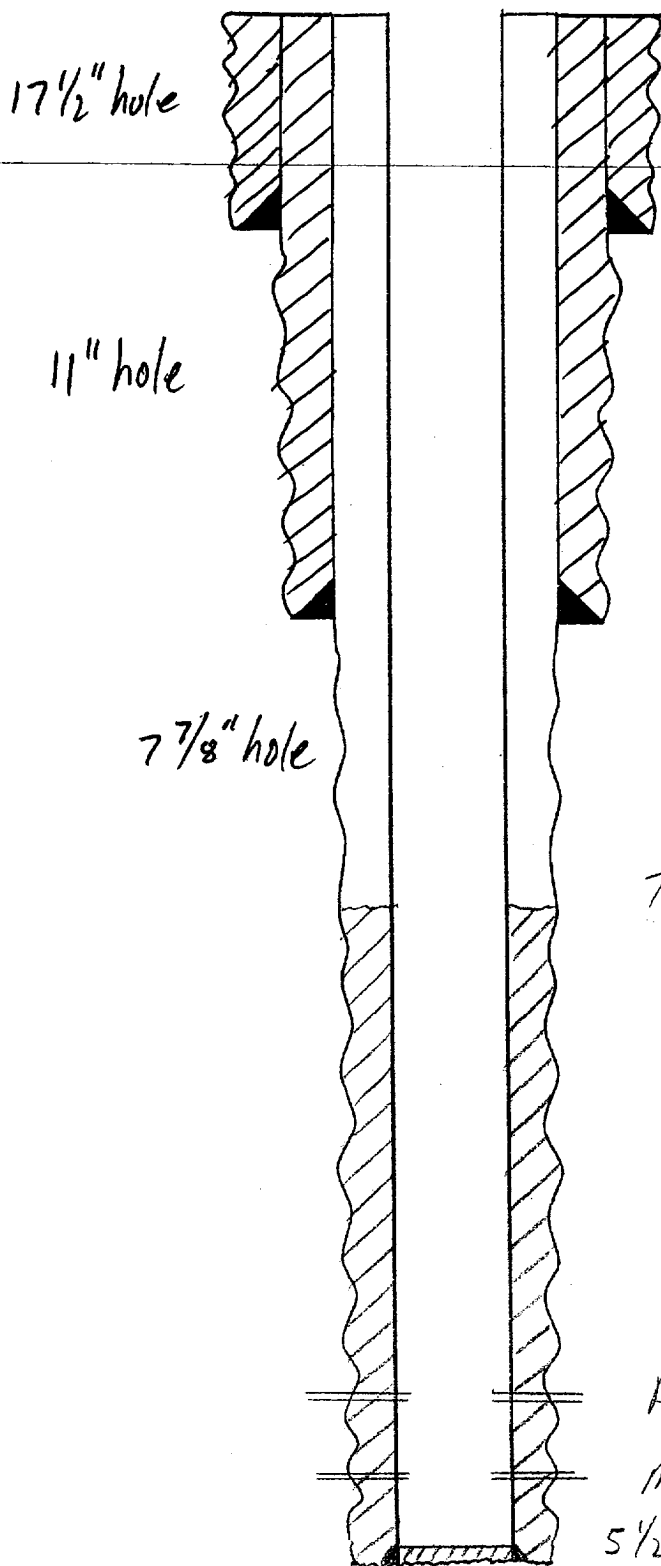


500 SHEETS FULLER SQUARE  
 500 SHEETS EYE-EASE 5 SQUARE  
 100 SHEETS EYE-EASE 5 SQUARE  
 200 SHEETS EYE-EASE 5 SQUARE  
 100 RECYCLED WHITE 5 SQUARE  
 200 RECYCLED WHITE 5 SQUARE  
 Made in U.S.A.



WELLNAME: Royal Unit #1 FIELD: Wildcat  
 LOCATION: 1980' FSL & 660' FEL, Sec 24, T10S, R34E, Lea Co, NM  
 GL: 4,150' ZERO: \_\_\_\_\_ AGL: \_\_\_\_\_ KB: \_\_\_\_\_  
 SPUD DATE: 7/12/62 COMPLETION DATE: \_\_\_\_\_  
 COMMENTS: D+A 8/31/62

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 <sup>3</sup> / <sub>8</sub> ", 48.0 #/ft, H-40, SRC	368'
8 <sup>5</sup> / <sub>8</sub> ", 32.0 + 36.0, J-55, SRC	4,191'
5 <sup>1</sup> / <sub>2</sub> ", 17.0 #/ft, P-110, LT&C	12,400' +/-



13<sup>3</sup>/<sub>8</sub>" @ 368' cmt p w/ 350 sacks  
 cmt circ. to surface

After

8<sup>5</sup>/<sub>8</sub>" @ 4,191', cmt p w/ 2,350 sacks  
 cmt circ. to surface

TOL: 7,000' +/-

**YATES PETROLEUM CORPORATION**  
 Royal "BAC" State Com #1 Re-entry  
 1980' FSL & 660' FEL  
 Section 24-T10S-R34E  
 Lea County, New Mexico  
 Lease VA-1948

Atoka @ 11,500' +/-  
 Morrow @ 11,900' +/-  
 5<sup>1</sup>/<sub>2</sub>" @ 12,400' +/-, cmt p w/ 700 +/- sack of cm

DATE: 5/24/02

