

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30- 025-22557
⁴ Property Code 28315	⁵ Property Name Vaca "AZJ" State	⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
A	21	10S	34E		519	North	803	East	Lea

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
⁹ Proposed Pool 1 Wildcat Morrow					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E & D	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4196'
¹⁶ Multiple No	¹⁷ Proposed Depth 12500'	¹⁸ Formation Morrow	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8	48#	425'-in place	250 sx	Circulate
11"	8 5/8"	24# & 28#	1390-4000'-inpla	210 sx	Unknown
11"	8 5/8"	24#	0-1390'	700 sx	Circulate
7 7/8"	4 1/2"	11.6#	0-12500'	1000 sx	TOC-7000+/-

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 production. Describe the blowout prevention program, if any. Use additional sheets if necessary.

AN APPLICATION FOR ADMINISTRATIVE APPROVAL FOR AN UNORTHODOX LOCATION IS
APPLIED FOR— See Attached Sheet additional drilling information

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Re-Entry

²³ 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	
Printed name: Clifton R. May		Approved by: <i>Paul Kautz</i> Title: Geologist	
Title: Regulatory Agent		Approval Date: <i>07/11/01</i> Expiration Date:	
Date: 07/11/01	Phone: (505) 748-1471	Conditions of Approval Attached <i>07/11/01</i>	

YATES PETROLEUM CORPORATION

Vaca "AZJ" State #1 Re-entry

519' FNL & 803' FEL

Section 21-T10S-R34E

Lea County, New Mexico

Lease #VO-5521

Drilling Plans: Yates Petroleum Corporation plans to re-enter this well bore that was originally drilled by Sun Oil Company as their New Mexico "L" State #1 which was plugged in 1968. Yates will use a pulling unit and a reverse unit to drill out the cement plugs in the 13 3/8" casing which was set at 425' and cemented with 250 sacks. The plugs in the 11" open hole will be drilled out to the top of the 8 5/8" casing which was cut at 1390'. The 8 5/8" casing will be repaired and tied back to surface and cemented to surface. After the other cuts in the 8 5/8" casing have been repaired and the casing cleaned out to the base of the 8 5/8" casing at 4000', a drilling rig will be moved on the well and the drilling rig will clean out the 7 7/8" open hole to the old TD of 10,008'. Then the well bore will be drilled deeper to a new TD of 12,500'. After reaching the new TD, a new suite of open hole logs will be ran. Yates will run 4 1/2" production casing to TD and will be cemented with approximately 850 sacks of cement to bring the cement top up to 4000'+/- 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 will be the main target for completion.

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2840 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1990
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 30-025-225574	Pool Code ✓	Pool Name Wildcat Morrow
Property Code 28315	Property Name Vaca "AZJ" State	Well Number 1
OCED No. 025575	Operator Name Yates Petroleum Corporation	Elevation 4196'

Surface Location

UL or Lot No. A	Section 21	Township 10S	Range 34E	Lot Idn	Feet from the 519	North/South line North	Feet from the 803'	East/West line East	County Lea
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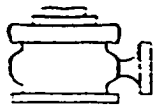
Bottom Hole Location If Different From Surface

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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Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No. NSL-4617
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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

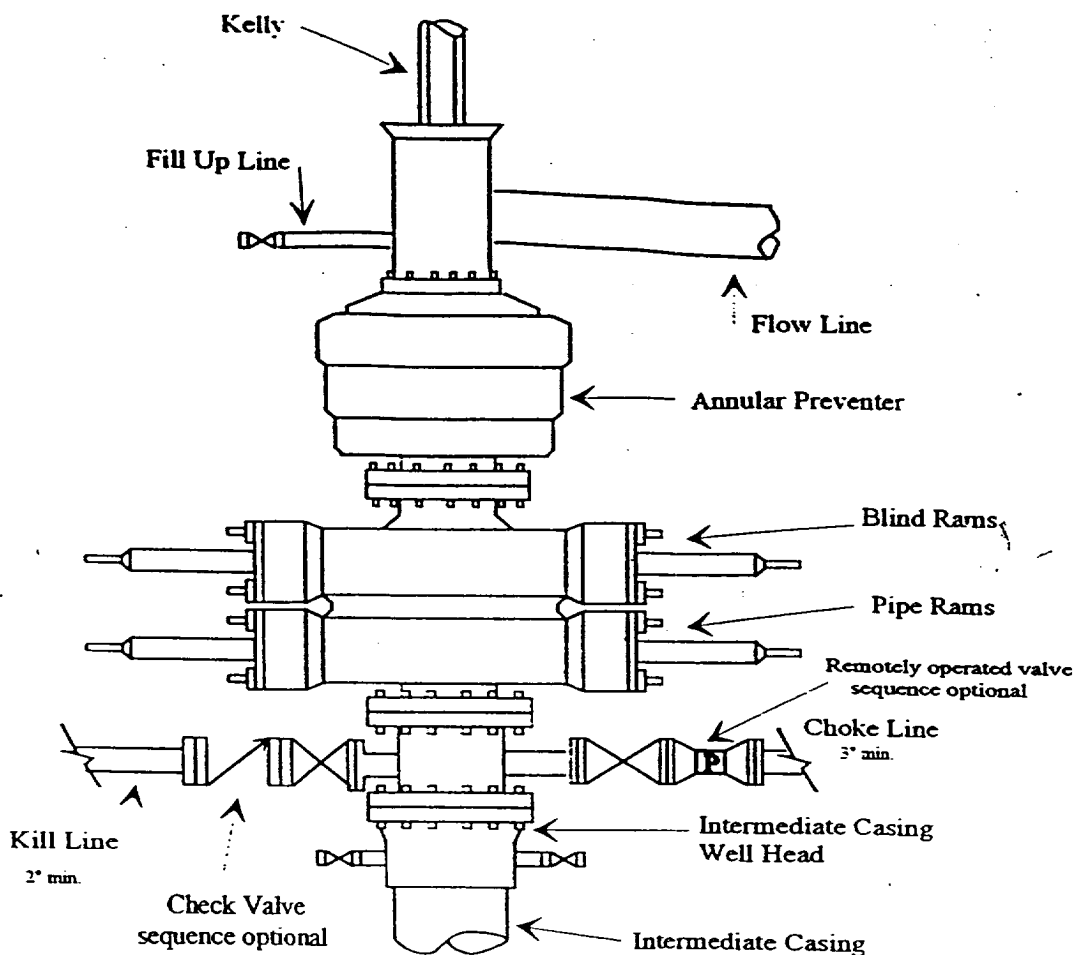
			519' 803'	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> <u>Clifton R. May</u> Signature Clifton R. May Printed Name Regulatory Agent Title July 11, 2001 Date
		VO-5521		SURVEYOR CERTIFICATION <i>I hereby 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. Herschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY



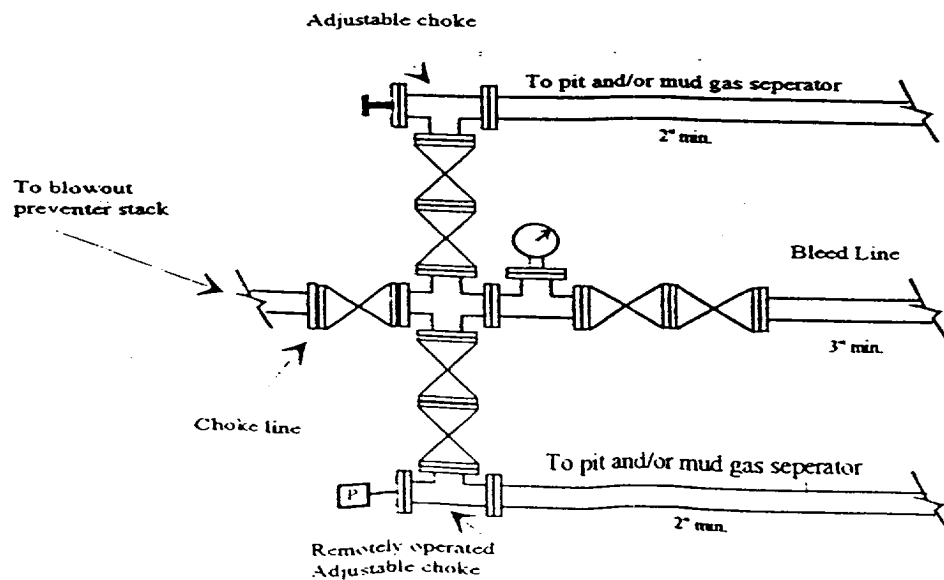
Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

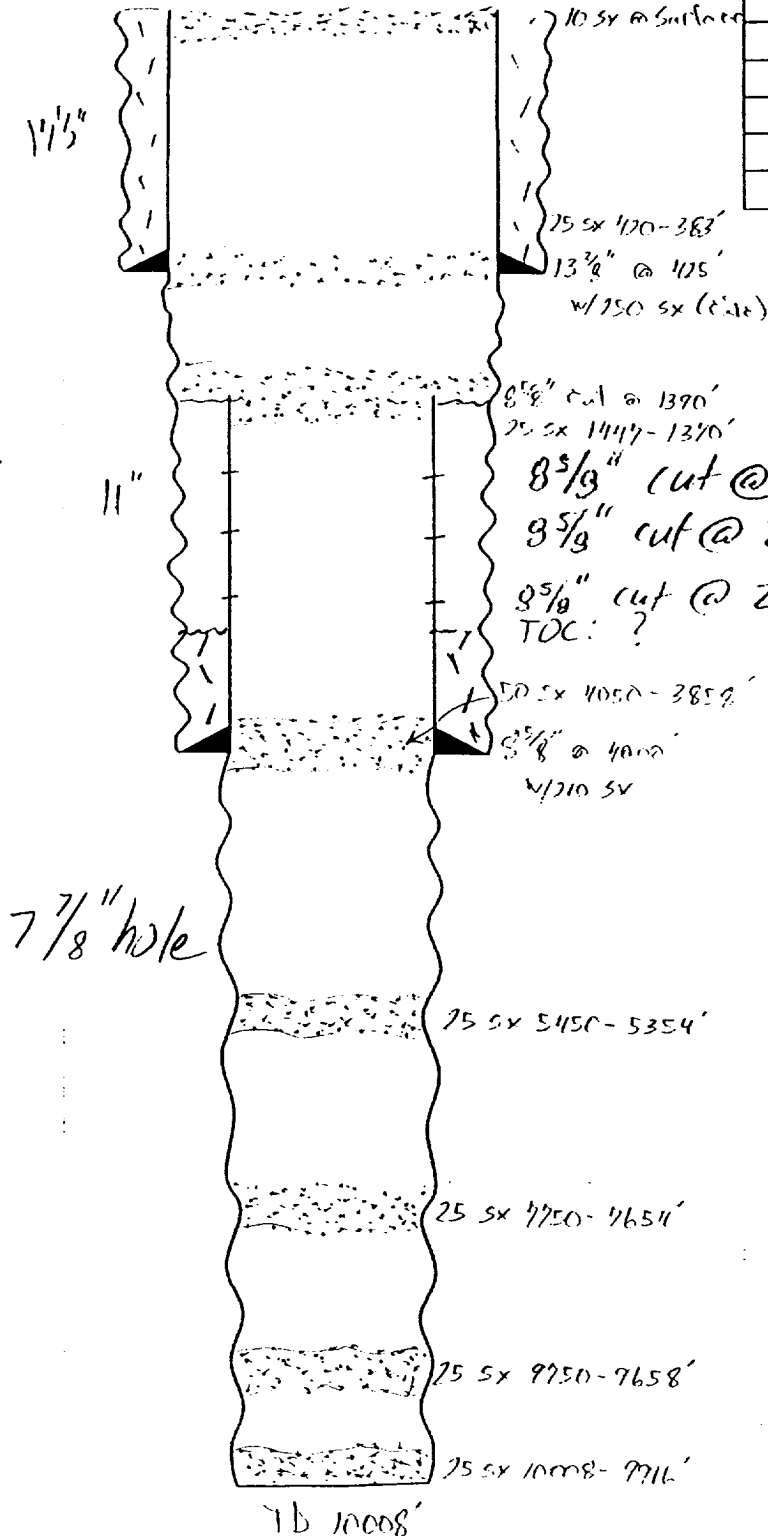


Typical 5,000 psi choke manifold assembly with at least these minimum features



WELLNAME: New Mexico L 461 Sun Oil FIELD: Gimondale
 LOCATION: 519' N 1 803' E A 21-105-34E Lea County
 GL: 4196' ZERO: _____ AGL: _____ KB: _____
 SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68
 COMMENTS: BYA

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 3/8" 48# H40	125'
8 5/8" 24# 355 + 28# H40	1000'



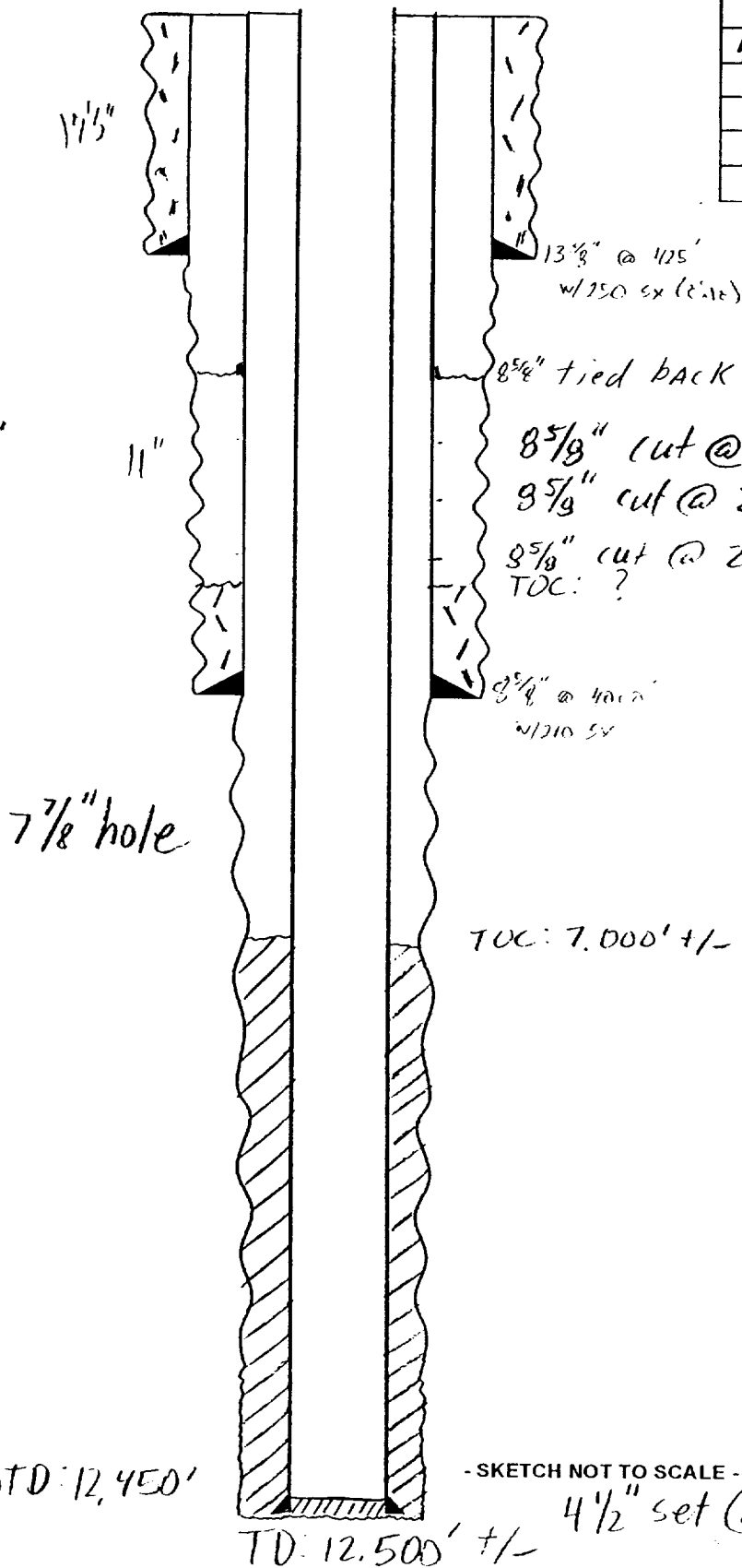
Tops: Kites	2780'
San Andres	4080'
Glorieta	5505'
Tubb	6987'
Alto	7784'
Wolfcamp	8888'
Penn	9812'
Cisco	9964'

- SKETCH NOT TO SCALE -

DATE: 6-27-01 28

WELLNAME: New Mexico L St. (Sun Oil) FIELD: Simmons Penn
 LOCATION: 519' EN + 803' ES A 21-105-34E Lea County
 GL: 4196' ZERO: _____ AGL: _____ KB: _____
 SPUD DATE: 5-24-68 COMPLETION DATE: 6-28-68
 COMMENTS: DYA

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
13 3/8" 48# H40	425'
8 5/8" 21# J55 + 28# H40	4000'
4 1/2" 11.60, P-110, LT+C	12,500'



After

Tops: Yates	2780'
San Andres	4080'
Glorieta	5505'
Tubb	6989'
ALO	7784'
Wolfcamp	8888'
Penn	9812'
Cisco	9964'

- SKETCH NOT TO SCALE -

DATE: 7/2/01 JWP
6-27-01 JH

4 1/2" set @ 12,500' cement w/ 1000 +/- SAC.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-121
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

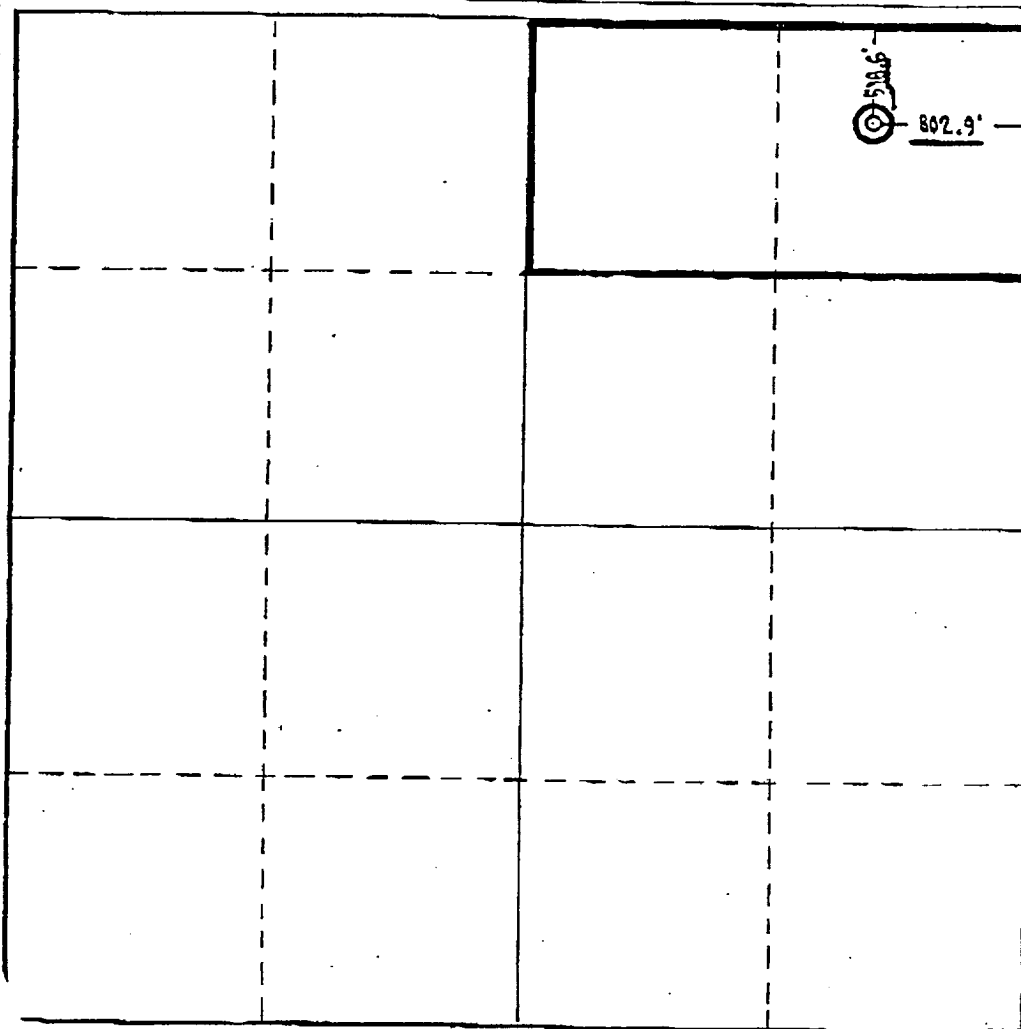
Operator Sun Oil Company			Lease New Mexico "L" State		Well No. 1
Unit Letter A	Section 21	Township 10S	Range 34E	County Lea	
Actual Footage Location of Well: 518.6 feet from the North line and 802.9' feet from the East line					
Ground Level Elev: 4196'	Producing Formation Bough "C"		Pool Simanola-Penn.		Dedicated Acreage: 80 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 _____

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.

Ross R. Cone, Jr.

Name

Ross R. Cone, Jr.

Position

Asst. Regional Supt.

Company

Sun Oil Company

Date

May 6, 1968

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

5-3-68

Registered Professional Engineer and/or Land Surveyor

Robert P. Howell

Certificate No.

1 C. 2050