

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ 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 Property Code 25251-23549		⁴ API Number 30-025-34861
⁵ Property Name Sand Spring ASU State		⁶ Well No. 3

⁷Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
J	11	11-S	34-E		1500'	South	1500'	East	Lea

⁸Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Wildcat Mississippi	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4142'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,300'	¹⁸ Formation Mississippi	¹⁹ Contractor Not determined	²⁰ Spud Date ASAP

²¹Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42 #	400'	400 sx	circulated
11"	8 5/8"	32 #	4200'	1400 sx	circulated
7 7/8"	4 1/2"	11.6 #	12,300'	850 sx	TOC-7300'

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.

Yates Petroleum Corporation proposes to drill and test the Mississippi and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be cement circulated. If commercial, production casing will be run and cemented back to approximately 7300', perforated and stimulated as needed for production.

MUD PROGRAM: 0'-400' FW Gel; 400'-4200' Cut brine to brine; 4200'-7800' Cut brine; 7800'-11,500' Brine/S Gel/Diesel; 11,500' - 12,300' Salt Gel/Starch.

BOPE PROGRAM: 5000# BOPE to be installed on 9 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>Ken Beardemphl</i>		Approved by: <i>UNIVERSITY OF NEW MEXICO</i>	
Printed name: Ken Beardemphl		Title: SUPERVISOR	
Title: Landman		Approval Date: JAN 20 2000 Expiration Date:	
Date: January 14, 2000	Phone: (505) 748-1471	Conditions of Approval:	
		Attached <input type="checkbox"/>	

Permit Expires 1 Year From Approval Date Unless Drilling Underway.

AMP



DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
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 34861	Pool Code -	Pool Name Wildcat Mississippi
Property Code 2525123599	Property Name SAND SPRINGS "ASU" STATE	Well Number 3
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4142

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	11	11S	34E		1500	SOUTH	1500	EAST	LEA

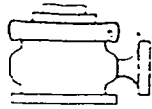
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320			

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

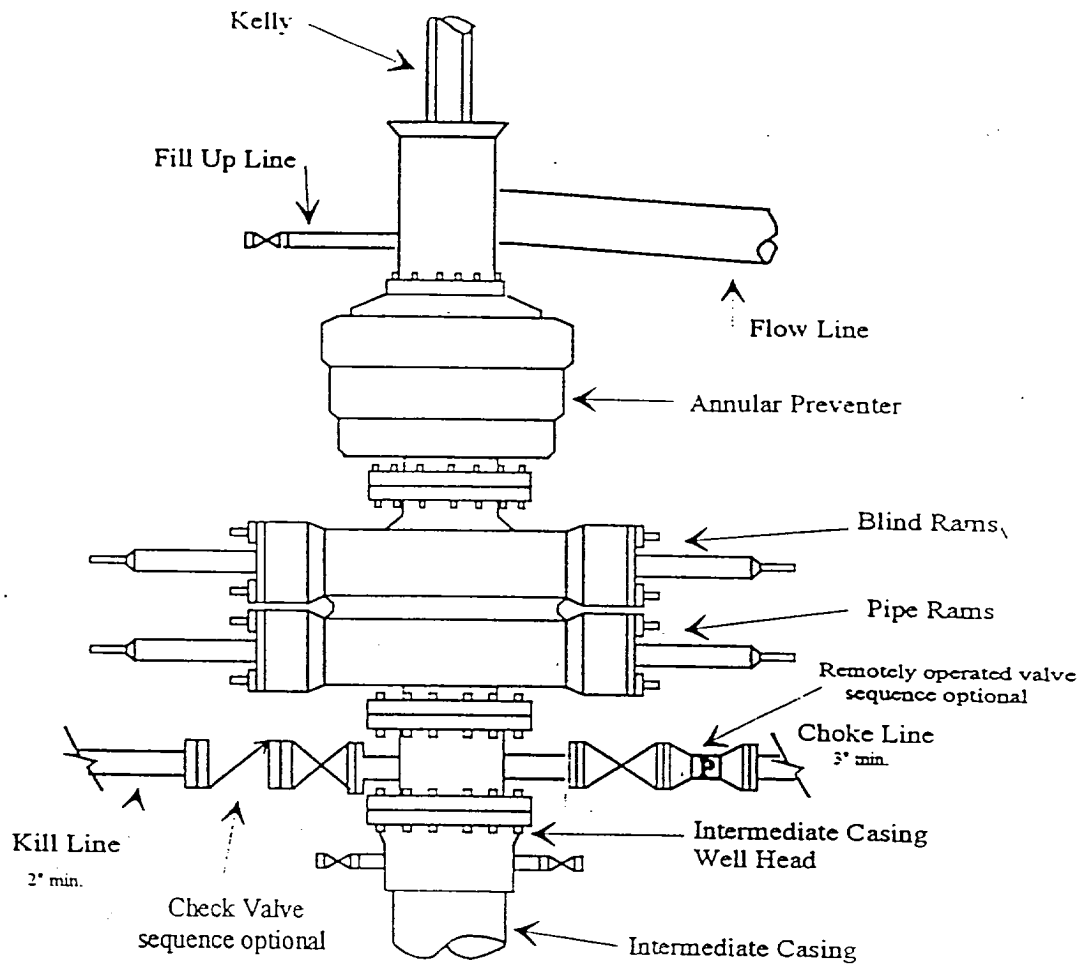
	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature <u><i>Ken Beardemphl</i></u> Printed Name <u>Ken Beardemphl</u> Title <u>Landman</u> Date <u>Janaury 14, 2000</u>
	SURVEYOR CERTIFICATION I hereby certify 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 Surveyed <u>1/07/2000</u> Signature & Seal of Professional Surveyor <u><i>Herschel L. Jones</i></u> Certificate No. <u>Herschel L. Jones RLS 3640</u> <u>SAND SPRINGS 3</u> DISK 21 GENERAL SURVEYING COMPANY



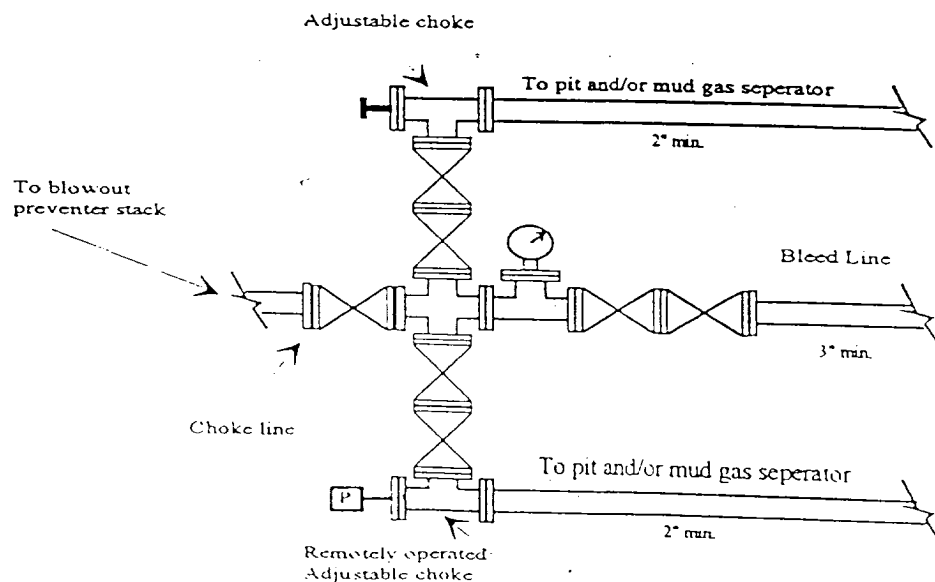
Yates Petroleum Corporation

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

BOP-4



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



ABOVE DATE DOES NOT
INDICATE WHEN
CONFIDENTIAL LOGS
WILL BE RELEASED

ELF