DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II 811 South First, Artesia, NM 88210

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

DISTRICT IV 2040 South Pacheco, Santa Re, NM 8750: State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO BOX 2088

Santa Fe, NM 87504-2088

Form C-101 Revised March 17, 1999 Instructions on back Submit to appropriate District Office

> State Lease - 6 Copies Fee Lease - 5 Copies

AMENDED REPORT

APPLI	CATIO	N FOR PE	RMIT	TO DR	ILL, RE-EI	NTER, D	EEPEN	, PLUG	BAC	CK, OR A	DD A ZONE	
	ator Name		025575									
		Yates Pe		1 Corpor	auun		³ API Number					
				urth Stre							>4	
		Artesia, I	New M	exico 8	⁵ Property Nar		30-025-01284 Well No.				11 No.	
	operty Code			•	aviness Stat			1				
ر ک	203-	5				e Contion						
									E.	st/West Line	County	
JL or lot no. Section		Township	Range	Lot Idn Feet from the		North/South		e Feet from the 660'		East	Lea	
1	34	16S	33E		1980'	South						
		⁸ Prop	osed H	Bottom	Hole Loca	tion If E	oifferen	t From				
JL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South	Line Fee	t from the Ea		st/West Line County		
	9 Propos					¹⁰ Pr			roposed Pool 2			
	,	Wildcat Mis		ian								
					¹³ Cable/I	totary ¹⁴ Lease Type Code ¹⁵ Ground Level					d Level Elevation	
Work	Type Code	12 W	¹² Well Type Code				LCa	S		4183'		
E			G ¹⁷ Proposed Depth			R ¹⁸ Formation		¹⁹ Contractor		20 Spud Date		
	Multiple		-		Mississ		Not D	etermined		ASAP		
	No		14,000							·		
]		ed Casing			Sacks o	f Cam	ent I	Estimated TOC	
Hole Size					ing weight/feet Settin							
	1/2"		13 3/8"		48#	345'-in place 4647'-in place		2000 sx			Circulated	
	<u>1"</u>		8 5/8"		24# 17# & 20#		5100'-11850'-in place		500 sx		TOC-7868'	
7 7/8"						Tie-in @ 5100'					Circulated	
77	7/8"		5 1/2"		17#		11350 t0 14000'		200sx		TOC-11350	
	3 1/2" 9.2# ²² Describe the proposed program. If this application is to DEEPEN or PLUG									ctive zone and	proposed new produ	
²² Describe	the propose	d program. If the	his applica	tion is to L	DEEPEN of PLUC	cessary.	une data on				-	
Describe t	he blowout	prevention progra	um, it any.	Use addit	ional sheets if ne	cessary.					ł	
											÷	
TD I Devel										<u>CD</u>		
See Attached Sheet. Permit Expires 1 Year From Approval									Y	H 7:05		
Date Unless Drilling Underway												
						198-1	chir r					
					1			~~~~			NUCION	
²³ I hereby	certify that t edge and beli	he information giv	en above i	s true and co	mplete to the best					ATION D		
Signature:		tt R	<u>`</u>	lay		Approved by: ORIGINAL SIGNED BY						
Oltron D. May							Title: PETROLEUM ENGINEER					
Desulatory Agont							Approval Date MAR 0 7 2) Expiration Date:					
Title: Regulatory Agent Date: Phone:							Conditions of Approval					
02/27/03 (505) 748-					8-1471	Attached						

YATES PETROLEUM CORPORATION Caviness State Unit #1 Re-entry 1980' FSL & 660' FEL Section 34-T16S-R33E Lea County, New Mexico Lease #VO-5279

T.G.P. State No. 1 (Renamed the Caviness State No. 1) 1980' FSL & 660' FEL of Sea. 34, T16S, R33E Lea County, New Mexico Originally T.G.P. State No. 1 drilled buys Neville G. Penrose, Inc.

Yates' plan is to re-enter the with a pulling unit and a reverse unit to drill out cement plugs in the 8 5/8" casing at the surface and at the base of the 8 5/8" at 4647 – 4547'. The wellbore will be cleaned out to the top of the 5 $\frac{1}{2}$ " casing at 5100'. The 5 $\frac{1}{2}$ " stub will be dressed off and new 5 $\frac{1}{2}$ " casing will be run with a slip joint and joined on to the existing 5 $\frac{1}{2}$ " casing. The 5 $\frac{1}{2}$ " casing will be cleaned out to the PBTD estimated to be at 11804'. Original perforations at 11708'-11722' will be squeeze cemented with 100 sacks of cement and the well will again be cleaned out to PBTD. At that point, a drilling rig will be move in and the well will be deepened to a total depth of approximately 11400' and open hole logs will be run. A 3 $\frac{1}{2}$ " liner will be run from approximately 11350' to TD, cemented with 200 sacks to bring cement top to the top of the liner at 11350'. The well will be completed with a pulling unit in the Austin Cycle, Morrow or Atoka, depending on results of the open hole and mud logs. The mud program will be 9.2-9.5 ppg brine water with a viscosity of 55-70 cp.

A 3,000# BOPE will be installed on the 8 5/8" casing. After the 5 $\frac{1}{2}$ " casing is repaired a 5000# BOPE will be nippled up on the 5 $\frac{1}{2}$ " casing.

KLL., C) Flora 000

District I			State of New Mexico Form C-10									
1625 N. French Dr.	88240	Ē	Energy, Minerals & Natural Resources Department						Revised	August 15, 2000		
District II 811 South First, Ar		OIL CONSERVATION DIVISION Submi 1220 South St. Francis Dr.							nit to Appropriate District Office State Lease - 4 Copies			
District III											Lease - 3 Copies	
1000 Rio Brazos Rd., Aztec, NM 87410				Santa Fe, NM 87505						100	Luise 5 copie	
District IV 1220 S. St. Francis	Dr., Santa Fo	NM 8750	5								ENDED REPORT	
				OCA]	IOI	N AND ACR	EAGE DEDIC	CATION I	PLAT			
'4	API Number			CLL LOCATION AND ACREAGE DEDICATION PLAT ² Pool Code ³ Pool Name								
30-00	<u>25-C</u>	7128	>4	Wildcat Mississippian								
⁴ Property Code			/		l		⁶ Well Number					
3203	35					* Elevation						
⁷ OGRID	1		[*] Operator Name [*] Eleva Yates Petroleum Corporation 418									
02557	5				Tate			<u></u>			4100	
·····			p Range			Surrace	North/South line	Feet from	the Fart	West line	County	
UL or lot no.	Section			Lot 1	ida Feet from the 1980		South	660		ast	Lea	
	34	165	33E					<u> </u>				
			<u> </u>	Botton		Feet from the	f Different Fro North/South line	Feet from		West line	County	
UL or lot no.	Section	Townshi	p Range	Lot	1010	Feet Home the						
¹² Dedicated Acres	1 ¹³ Joint o	- Infil	¹⁴ Consolidatio	n Code	15 Or	der No.				<u></u>	<u> </u>	
320 S/2			-									
L								TEDECTS LI	AVE BEEN	CONSOL	IDATED OR A	
NO ALLOW	ABLE W	ILL BE	ASSIGNE NON-ST	D TO T. AND A R	HIS (COMPLETION	UNTIL ALL INT N APPROVED B	Y THE DIV	AVE BEEN	CONSOL		
16		<u> </u>	INOIN-SIA					Ī		FOR CER	RTIFICATION	
								τ.			tion contained herein is	
									ue and complete	to the best of	my knowledge and	
								5	elief.			
							j ³		Clift,	<u> </u>	May	
								S	ignature		J	
	· · · · · · · · · · · · · · · · · · ·	<u> </u>						k	Clifton R. M	ay		
							R. ED	1	ninted Name			
							Hobos 000		egulatory	Agent		
							000		itie			
								Į į	2/20/2003			
								C	hate:			
											TIFICATION	
V-5287							1				ation shown on this plat	
						V-5279		6601			ctual surveys made by	
							Q		ne or under my si	epervision, an	d that the same is true	
								a a a a a a a a a a a a a a a a a a a	nd correct to the	best of my be	lief.	
									EFER TO ORK	INAL PLAT		
									Date of Survey			
									signature and Scal (f Professional S	urveyor:	
							1980					
									Certificate Number			

· .	N	MEXICO OIL CO	NSERVATION COMMI	Form C-128 Revised 5/1/57 .ON					
Well Location and Acreage Dedication Plat									
Section A.		÷.		Date 6-14-1957					
Well-No: Located 1980 County Lea Name of Producin I. Is the Opera Yes 2. If the answe	ng Formation <u>F</u> itor the only ow No <u>X</u> . er to question o	Section3 SouthLine, Elevation Connsylvania mer* in the de me is "no," ha	4 Township 660 Fee 7 Dedicate n Pool edicated acreage on ove the interests of	16 South Range 33 East NMPM et From East Line ed Acreage Acres					
"ves." Type	of Consolidatio	n		and their respective interests					
,	<u>Owner</u>		Land Des	cription					
	Penrose, Ind	· · · · · · · · · · · · · · · · · · ·	Undivide						
W.D. Ander	rson & Sons		Undivide	d					
Section.B									
				This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.					
				Neville G. Penrose, Inc. Operator) A. M. M. T.H. Brigh (Representative) Box 988 Eunice N.M.					
	· 			Box 988, Eunice, N.M. Address					
			•660	This is to 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					
	↓ ↓ ↓ ↓		1980°	same is true and correct to the best of my knowledge and belief. Date Surveyed <u>6-14-1957</u> <u>Horne () () for the second surveyor</u> .					
	120 1450 1980 2310 Z		500 K009 500						
380 1				• Certificate No. <u>676</u> on the reverse side)					



Yates Petroleum Corporation

Typical 3.000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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

