

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 Fe, NM 87501

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

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- 30-025-21484
<sup>4</sup> Property Code 26822	<sup>5</sup> Property Name Shell Lusk SWD	<sup>6</sup> Well No. 3

<sup>7</sup> Surface Location

UL or lot no. C	Section 11	Township 16S	Range 35E	Lot Idn	Feet from the 660'	North/South Line North	Feet from the 1980	East/West Line West	County 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 Dispose in the Townsend Wolfcamp					<sup>10</sup> Proposed Pool 2 Permo Upper Perm				

<sup>11</sup> Work Type Code E	<sup>12</sup> Well Type Code S	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3985'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 10640'	<sup>18</sup> Formation Wolfcamp	<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 1/2"	13 3/8'	48#	343'-in place	400 sx	Circulated
11"	8 5/8"	32#	4673'-in place	1600 sx	Circulated
7 7/8"	5 1/2"-cutoff	15.5# & 17#	7014'to 10641'	600 sx	TOC-8500'
7 7/8"	5 1/2"	15.5# & 17#	Tie-in @7014'	1000sx	Into 8 5/8" casing

<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.

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway  
Re-Entry

See attached sheet for proposed program. Administrative Order SWD-774

my knowledge and belief Signature: <i>Clifton May</i>		OIL CONSERVATION DIVISION	
Printed name: Clifton May		Approved by:	
Title: Regulatory Agent		Title:	
Date: 10/23/00	Phone: (505) 748-1471	Approval Date: 10/23/00	Expiration Date:
		Conditions of Approval Attached <input type="checkbox"/>	

myP

## YATES PETROLEUM CORPORATION

Shell Lusk SWD #3  
660' FNL and 1980' FWL  
Section 11, T16S, R35E  
Lea County, New Mexico

### PROPOSED PROGRAM:

Yates Petroleum Corporation plans to re-enter this wellbore using a workover rig. Yates will install a 3000 psi mechanical BOP on the 8 5/8" casing. Plans are to drill out the plugs to the 5 1/2" casing stub at 7014', run 5 1/2" 15.5# and 17# casing, splice and cement casing with approximately 1000 sacks of class H to bring cement up into the 8 5/8" casing at 4611'. Yates will then drill out splice, pressure test casing, drill out remaining plugs to a PBTD expected at 10,640'. Mud used for reentry will be gelled 2% KCL water or gelled 9 ppg cut brine with 35 viscosity. The Townsend Wolfcamp interval 10,262'-10,630' will be reperforated and acidized for disposal. 2 7/8" plastic coated J-55 tubing and a nickel-plated packer will be set at approximately 10,200'. Tubing casing annulus will be pressure tested before starting injection.

				Certificate Number