

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
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

¹ Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30 - 0 JS 21342
⁴ Property Code 17576	⁵ Property Name West APQ 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
F	17	21S	34E		1980'	North	1980'	West	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 Bone Spring					¹⁰ Proposed Pool 2				

¹¹ Work Type Code E	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation Not Available
¹⁶ Multiple No	¹⁷ Proposed Depth 10,200'	¹⁸ Formation Bone Spring	¹⁹ Contractor Not known	²⁰ Spud Date 9-29-95

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	404' -in place	400 sx	Surface
12 1/4"	9 5/8"	40#	5850' -in place	2800 sx	Circulated
8 3/4"	7"	26# & 29#	10167' to 13015'	500 sx	10,300'
			in place		
8 3/4"	7"	23# & 26#	10170'	900 sx	Tie back to 9 5/8"

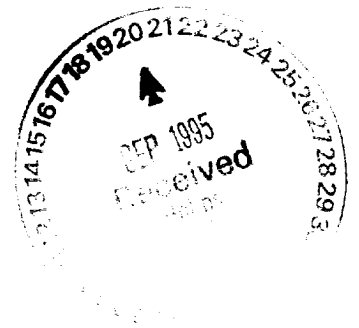
²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to re-enter this well that was drilled by Shell Oil Company, as their West Wilson Deep Unit #1 and clean out the cement plugs to 10,200'. Run 7" casing and tie-in to the top of the 7" casing at approximately 10170', cement casing with 900 sx, test selected Bone Spring sands (perforate, acidize, possibly frac) to establish commercial oil production.

BOPE PROGRAM: See Exhibit B

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

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 ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR	
Printed name: Clifton R. May		Title:	
Title: Regulatory Agent		Approval Date: OCT 11 1995	
Date: 9-20-95		Expiration Date:	
Phone: 505-748-1471		Conditions of Approval: Attached <input type="checkbox"/>	



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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-21342		2 Pool Code		3 Pool Name Wildcat Bone Spring		
4 Property Code 17576		5 Property Name West APQ State			6 Well Number #1	
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 3745' DF	

10 Surface Location

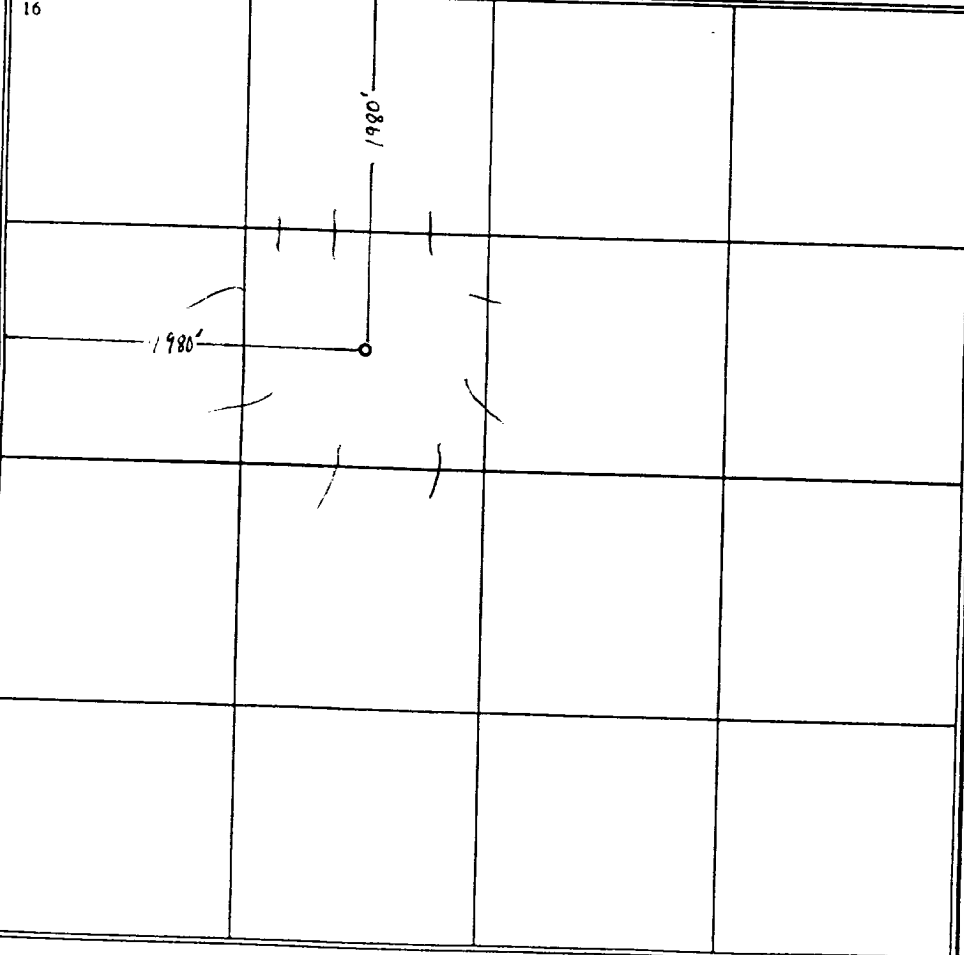
UL or lot no. F	Section 17	Township 21S	Range 34E	Lot Idn	Feet from the 1980	North/South line North	Feet from the 1980	East/West line West	County Lea
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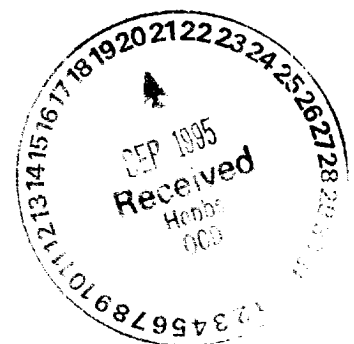
11 Bottom Hole Location If Different From Surface

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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12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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

<p>16</p> 				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Clifton R. May</i> Signature Clifton R. May Printed Name Regulatory Agent Title 9-20-95 Date</p>	
				<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Refer to Original Plat Date of Survey Signature and Seal of Professional Surveyor:</p>	
				Certificate Number	



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-128
Revised 5/1/57

SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

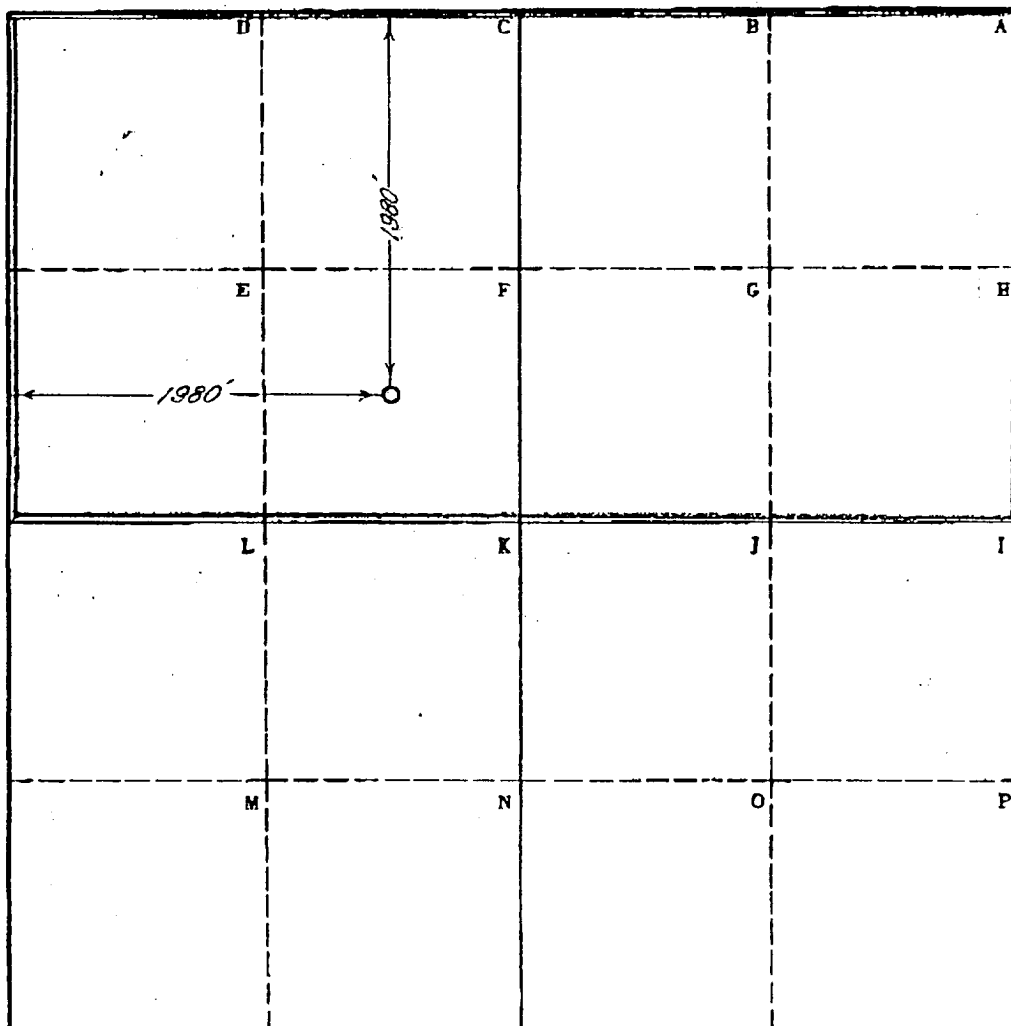
SECTION A

Operator Shell Oil Company		Lease West Wilson Deep Unit Sec. 17		Well No. 1
Unit Letter F	Section 17	Township 21S	Range 34E	County Lea
Actual Footage Location of Well: 1980 feet from the north line and 1980 feet from the west line				
Ground Level Elev. not available	Producing Formation Penn.-Morrow	Pool Wildcat	Dedicated Acreage: 320 Acres	

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ☐ ("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 ☐ NO ☐ If answer is "yes," Type of Consolidation _____
3. If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SECTION B



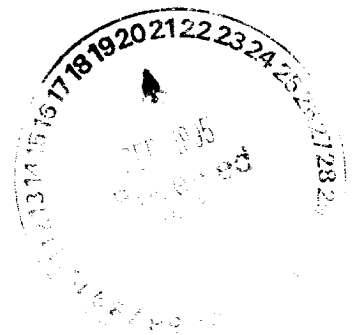
CERTIFICATION

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

Name C. R. Coffey	Original Signed By C. R. Coffey
Position Acting District Exploitation Engineer Company Shell Oil Company	
Date JUN 18 1965	

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 Dec. 22, 1964
T. J. Chapman, Jr., Chief Surveyor Shell Oil Company
<i>T. J. Chapman, Jr.</i>



Yates Petroleum Corporation

105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

YATES PETROLEUM CORPORATION
West APQ State #1
1980' FNL and 1980' FWL
Sec. 17-T21S-R34E
Lea County, New Mexico

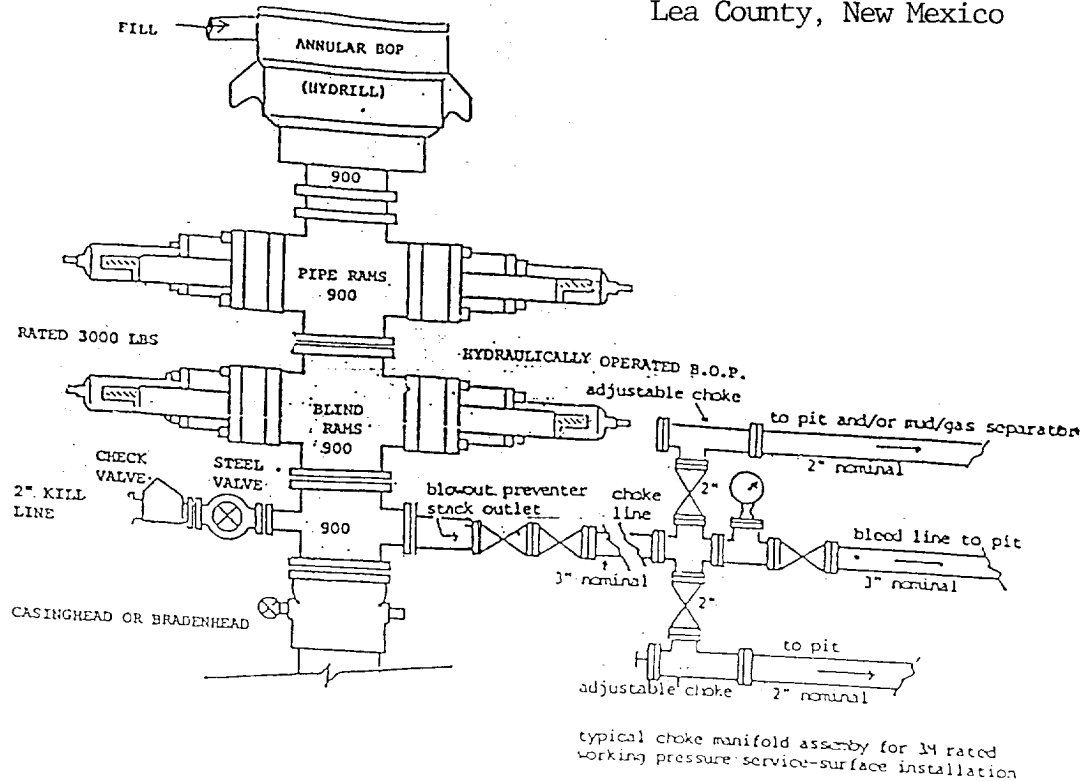


EXHIBIT B

THE FOLLOWING CONSTITUTES THE MINIMUM BLOWOUT PREVENTER
REQUIREMENTS FOR 3000 PSI WP SYSTEMS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" diameter.
3. Kill line to be of all steel construction of 3" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. Hole or tube to be a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls to be located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing.

[illegible]