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

# APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| [1] Operator Name and Address | [2] OGRID Number |
|---|---|
| Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210 | 025575 |
| | [3] API Number<br>30-025-35306 |

| [4] Property Code | [5] Property Name | [6] Well No. |
|---|---|---|
| 27014 | Jen "AXB" State | 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 | 16 | 23S | 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 | [10] Proposed Pool 2 |
|---|---|
| Wildcat Mississippian | |

| [11] Work Type Code | [12] Well Type Code | [13] Cable/Rotary | [14] Lease Type Code | [15] Ground Level Elevation |
|---|---|---|---|---|
| N | G | R | S P | 3426' |
| **[16] Multiple** | **[17] Proposed Depth** | **[18] Formation** | **[19] Contractor** | **[20] Spud Date** |
| No | 13750' | Mississippian | Not Determined | 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" | 54.5# | 600' | 700 sx | Circulate |
| 12 1/4" | 9 5/8" | 36# & 40# | 4700' | 1600 sx | Circulate |
| 8 3/4" | 7" | 26# | 11800" | 3400 sx | TOC-4200 |
| 6 1/8" | 4 1/2" liner | 13.5# | 11300'-13750' | 250 sx | 11300' |
| | | | | | |

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

SEE ATTACHED SHEETS----Lease VO-4793 expires 1-1-2001

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

[23] I hereby certify that the information given above is true and complete to the best o
my knowledge and belief.

Signature: Clifton R. May

Printed name: Clifton R. May

Title: Regulatory Agent

Date: 12/14/00

Phone: (505) 748-1471

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY STEVE WILLIAMS
DISTRICT I SUPERVISOR

Title:

Approval Date: DEC 18 2000

Expiration Date:

Conditions of Approval
Attached ☐

DISTRICT II
11 South First, Artesia, NM 88210

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

DISTRICT IV
040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

Revised March 17, 1999
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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 | Pool Code | Pool Name |
|---|---|---|
| 30-025-35306 | ✓ | WILDCAT MISSISSIPPIAN |

| Property Code | Property Name | Well Number |
|---|---|---|
| 27014 | JEN "AXB" STATE | 1 |
| **OGRID No.** | **Operator Name** | **Elevation** |
| 025575 | YATES PETROLEUM CORPORATION | 3426 |

### Surface Location

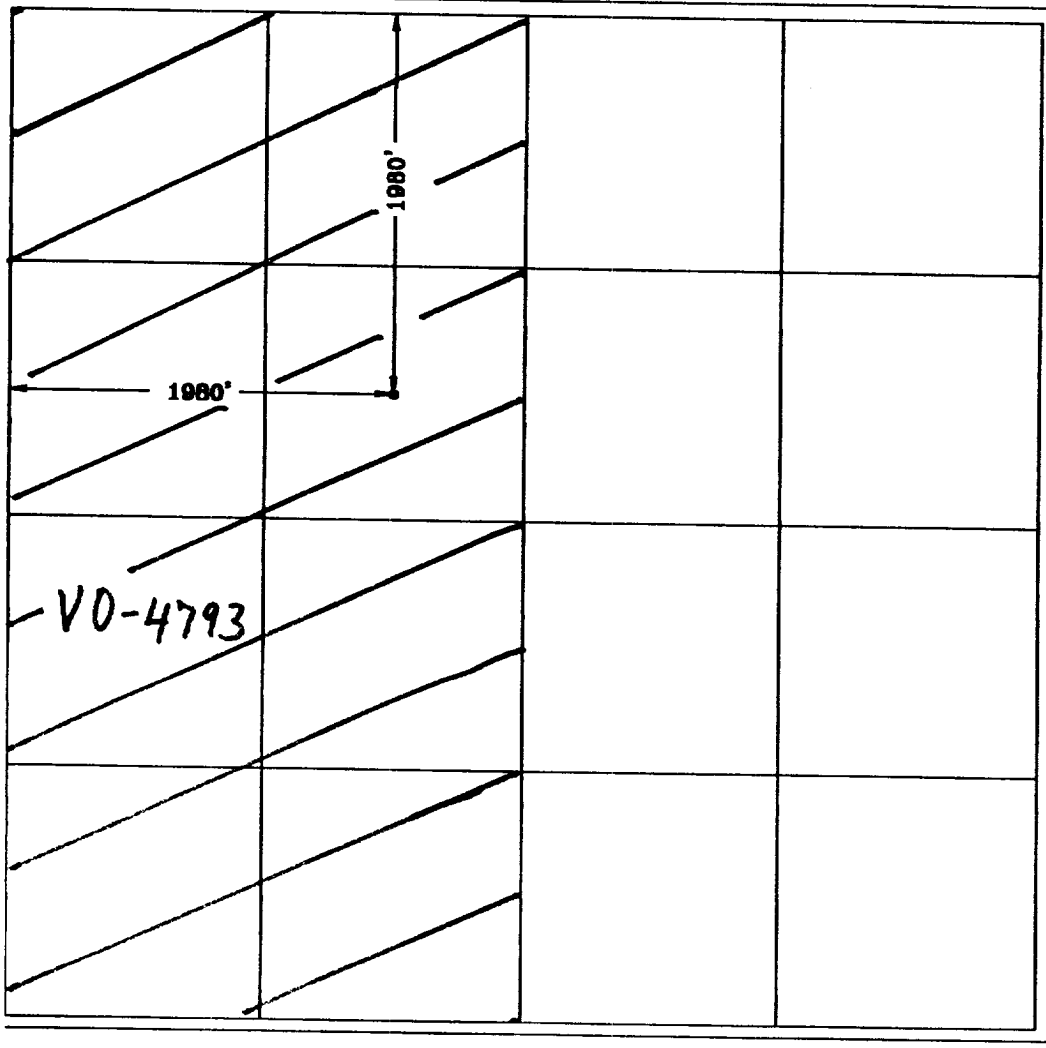
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---|---|---|---|---|---|---|---|---|---|
| F | 16 | 23S | 34E | | 1980 | NORTH | 1980 | WEST | LEA |

### 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.*

Clifton R. May
Signature

CLIFTON R. MAY
Printed Name

REGULATORY AGENT
Title

12-14-2000
Date

### 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.*

12/12/2000
Date Surveyed

Signature & Seal of Professional Surveyor

HERSCHEL JONES
NEW MEXICO
3640
REGISTERED PROFESSIONAL SURVEYOR

Certificate No. Herschel L. Jones RLS 3640

JENSEN DISK 36
GENERAL SURVEYING COMPANY

# YATES PETROLEUM CORPORATION

**Jen "AXB" State 1**

1980' FNL & 1980' FWL

Section 16-T23S-R34E

Lea County, New Mexico

## DRILLING PROGNOSIS

### 1. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS

| | | | |
|---|---|---|---|
| Rustler | 550' | Wolfcamp | 11,240' |
| Lamar | 4,660' | Strawn | 11,790' |
| Bell Canyon | 4,720' | Atoka | 12,090' |
| Cherry Canyon | 5,570' | Atoka Bank | 12,190' |
| Brushy Canyon | 6,820' | Morrow | 12,900' |
| 1st Bone Springs | 8,210' | Barnett | 13,640' |
| 2nd Bone Springs | 9,850' | TD | 13,750' |
| 3rd Bone Springs | 10,840' | | |

### 2. PRESSURE CONTROL EQUIPMENT

A 5000 PSI BOPE System will be nippled up on the 13 5/8" casing and 9 5/8 casing and tested Daily for Operational. A 10,000 PSI BOPE system will be nippled up on the 7" casing and tested daily for operational. See the attached schematics for the 5000 PSI and 10000 PSI BOPE.

### 3. THE PROPOSED CASING PROGRAM

| Hole Size | Casing Size | Wt./Ft. | Grade | Joint | Interval |
|---|---|---|---|---|---|
| 17 1/2" | 13 3/8" | 54.5# | J-55 | ST&C | 0-600' |
| 12 1/4" | 9 5/8" | 36# | J-55 | ST&C | 0-3300' |
| 12 1/4" | 9 5/8" | 40# | L-80 | LS&C | 3300'-4700' |
| 8 3/4" | 7" | 26# | N-80 | LT&C | 0'-8700' |
| 8 3/4" | 7" | 26# | HCP-110 | LT&C | 18700-11800' |
| 6 1/8" | 4 ½" liner | 13.5# | P-110 | LT&C | 11300'-13750' |

### 4. Cementing Program:

Surface Casing - Set with approximately 700 sx Class C + 2% CaCl2 (YLD 1.67 WT 14.8). Circulated.

Intermediate Casing-Set with approximately 1350 sx Lite (YLD 2.0 WT 12.1). Tail in with 250 sx Class C + 2% CaCl2 (YLD 1.34 WT 14.8). Circulated.

Second Intermediate Casing-Set with approximately 1050 sx Super C (YLD 1.67 WT 13.0). Top of cement approximately 4200'.

Liner-Set with approximately 250 sx Super C (YLD 1.67 WT 13). Top of cement approximately 11300'.

The above cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole gauge and will be determined by running a caliper log on the drilled hole.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **MUD PROGRAM** - Visual Monitoring

| Interval | Mud Type | Weight | Viscosity | Fluid Loss |
|---|---|---|---|---|
| 0 – 600' | FW Gel/Paper | 8.6-9.8 | 32-40 | No Control |
| 600'-4700' | FW going to Brine | 10.0-10.3 | 28 | No Control |
| 4700'-8200' | Cut Brine | 8.8-9.1 | 28 | No Control |
| 8200'-11800' | Salt Gel/Starch/Drispac | 9.4-9.7 | 28-32 | No Control |
| 11800'-TD | Drispac, XCD Polymer | 9.7-14.0 | 32-45 | No Control |

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

**6. EVALUATION PROGRAM**

Logs: Schumberger-Platform Express, possible FMI.

DST's: As Warranted.

Cores: None

*Pull Gamma Ray Log Back to Surface

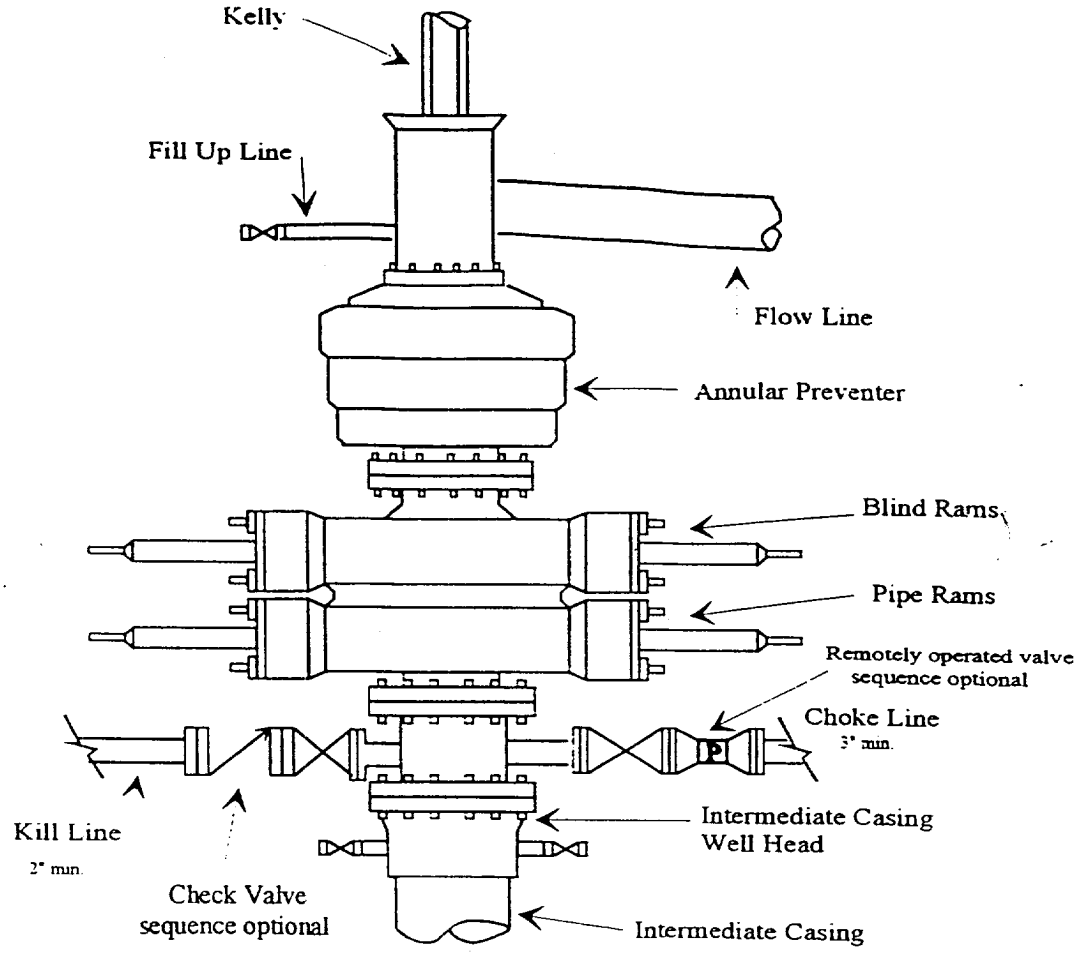
The evaluation program may change at the discretion of the well site geologist.

**7. ABNORMAL CONDITIONS**

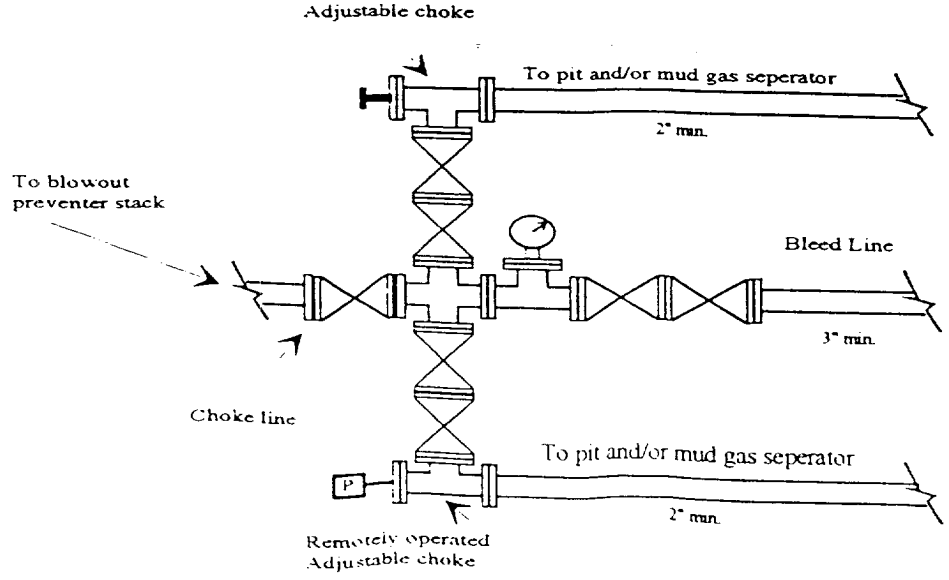
No abnormal temperatures or pressures are anticipated. Abnormal pressure possible below 11800'. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area.

# Yates Petroleum Corporation

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



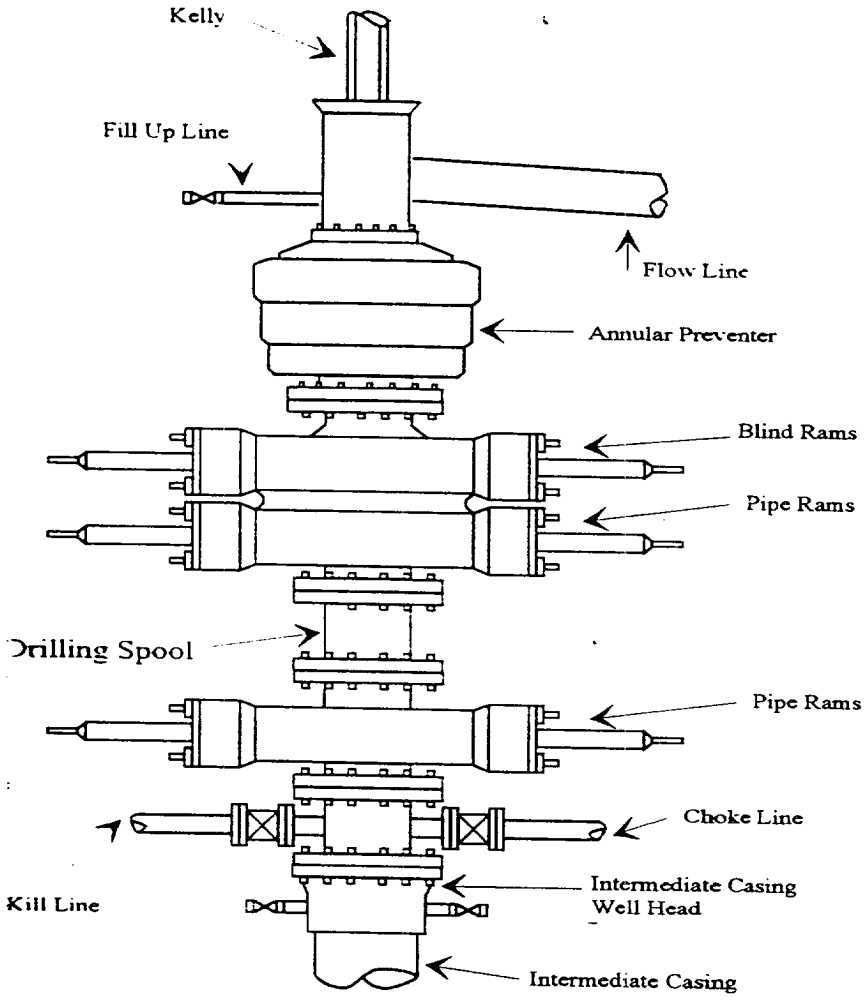

Typical 5,000 psi choke manifold assembly with at least these minimun features



# Yates Petroleum Corporation

BOP-5

Typical 10,000 psi Pressure System
Schematic
Annular, Triple Ram Preventer Stack




Typical **10,000 psi**
choke manifold assembly
with minimum of 3" lines and valves