

District I

1625 N French Dr., Hobbs, NM 88240

District II

1301 W Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-10

June 16, 2007

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-38232
³ Property Code 29657	⁵ Property Name Bleu Pearl BAF State Com	⁶ Well No 2
⁹ Proposed Pool 1 Wildcat Chester (Mississippian)		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no K	Section 34	Township 16S	Range 27E	Lot Idn	Feet from the 1980'	North/South line South	Feet from the 1650'	East/West line West	County Eddy
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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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code Gas	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3387'
¹⁶ Multiple N	¹⁷ Proposed Depth 9200'	¹⁸ Formation Chester	¹⁹ Contractor	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14.75"	9.625"	36#	1100'	1000	0
8.75	5.5"	15.5#	9200	2375	900

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.

²³

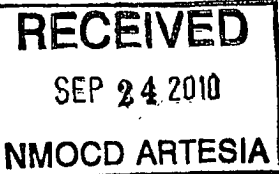
Yates Petroleum Corporation proposes to drill/test the Chester and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production.

MUD PROGRAM 0-1400' FW/Gel, 1400'-8200' Cut Brine, 8200'-TD Salt Gel/Starch/ 4-6%KCL

BOPE PROGRAM A 5000# BOPE will be installed on the 9.625" casing and tested daily

No H2S is anticipated

C-144 attached (Previously Approved APD # 30-015-35891)



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature

Monti Sanders

Printed name
Monti Sanders

Title
Land Regulatory Technician

E-mail Address
montis@yatespetroleum.com

Date:
9/22/10

Phone:
575-748-4244

OIL CONSERVATION DIVISION

Approved by

APDache

Title OCT 18 2010 DISTRICT SUPERVISOR

Approval Date OCT 18 2010

Expiration Date 10/18/2012

Conditions of Approval Attached ☐

KZ