

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy Minerals and Natural Resources  
Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-101  
Revised December 16, 2011

Permit

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
<sup>4</sup> Property Code 12521		<sup>3</sup> API Number 30-015-41391 <sup>5</sup> Well No 3
<sup>3</sup> Property Name Loving AIB State		

**<sup>7</sup> Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	16	23S	28E		330	N	330	E	Eddy

**<sup>8</sup> Pool Information**

LOVING, DELAWARE, SOUTH	40380
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**Additional Well Information**

<sup>9</sup> Work Type N	<sup>10</sup> Well Type Oil	<sup>11</sup> Cable/Rotary R	<sup>12</sup> Lease Type S	<sup>13</sup> Ground Level Elevation 3040'
<sup>14</sup> Multiple N	<sup>15</sup> Proposed Depth 6300'	<sup>16</sup> Formation Delaware	<sup>17</sup> Contractor	<sup>18</sup> Spud Date ASAP
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

**<sup>19</sup> Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75"	9.625"	36#	300'	575	0
Int1	7.875"	5.5"	15.5#	6300'	1300	0

**Casing/Cement Program: Additional Comments**

Yates Petroleum Corporation proposes to drill/test the Delaware and intermediate formations. Approximately 525' of surface casing will be set/cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-525' FW/Gel/Paper, 525'-6000' Brine, 6000-TD Starch/SW Gel

H2S is not anticipated.  
Previously Approved.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

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

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: *Lori Flores*

Printed name: Lori Flores

Title: Land Regulatory Technician

E-mail Address: lorif@yatespetroleum.com

Date: 5/13/2013

Phone: 575-748-4448

**OIL CONSERVATION DIVISION**

Approved By:

Title:

Approved Date:

Expiration Date:

Conditions of Approval Attached

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-41391		<sup>2</sup> Pool Code 40380	<sup>3</sup> Pool Name Loving, Delaware, South
<sup>4</sup> Property Code 12521	<sup>5</sup> Property Name Loving AIB State		<sup>6</sup> Well Number 3
<sup>7</sup> OGRID No. 025575	<sup>8</sup> Operator Name YATES PETROLEUM CORPORATION		<sup>9</sup> Elevation 3040'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	23S	28E		330'	North	330'	East	Eddy

<sup>11</sup> 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>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<div style="position: relative; height: 100px;"> <div style="position: absolute; top: 0; right: 0; border: 1px solid black; padding: 2px;"> 330' 330' </div> </div>	<p><b><sup>17</sup> OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><u>Lori Flores</u> 5/13/13 Signature Date</p> <p>Lori Flores Printed Name</p> <p>lorif@yatespetroleum.com E-mail Address</p>	
	<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>REFER TO ORIGINAL PLAT</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>	
	<p>Certificate Number</p>	

## DISTRICT I

16 Franklin St., Hobbs, NM 88240

## DISTRICT II

811 South First, Artesia, NM 88210

## DISTRICT III

1608 Rio Grande Rd., Aztec, NM 87419

## DISTRICT IV

2948 South Pacheco, Santa Fe, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Instructions on back

Submit to Appropriate District Office

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 30-015-37813 C		Pool Code	Pool Name East Loving Delaware
Property Code 12521	Property Name Loving AIB State		Well Number 3
OCRD No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3040'

## Surface Location

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
A	16	23S	28E		330'	North	330'	East	Eddy

## Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South Line	Feet from the	East/West Line	County
Borehole Acron		Joint or Infill		Consolidation Code		Order No.			
40									

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


330'  
330'

### OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Cy Cowan*

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

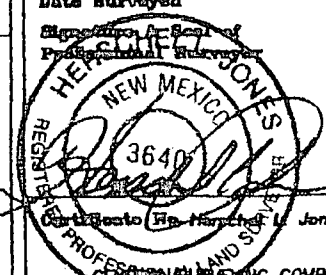
### SURVEYOR CERTIFICATION

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.

10/4/05

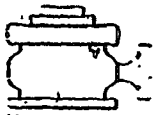
Date Surveyed \_\_\_\_\_

Signature of Professional Surveyor \_\_\_\_\_



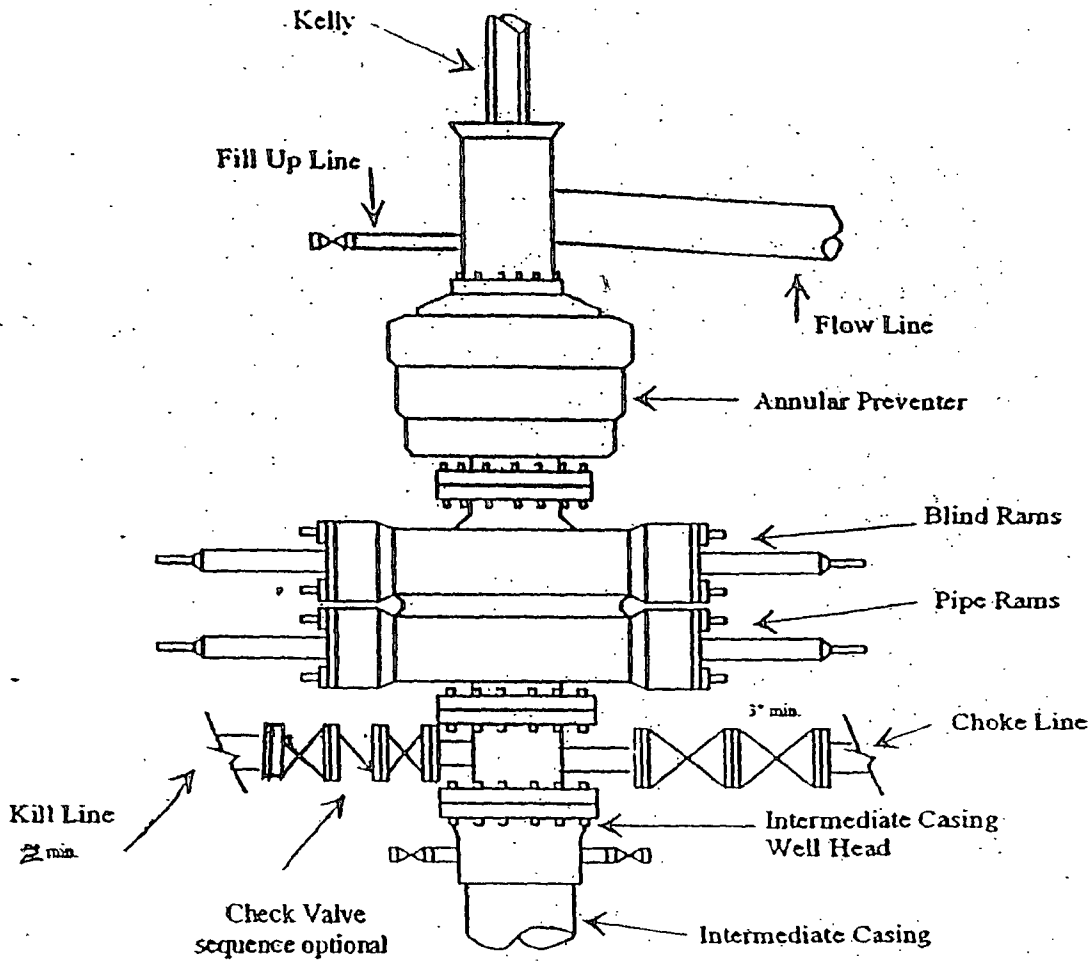
H. H. Jones RLS 3640

GENERAL SURVEYING COMPANY

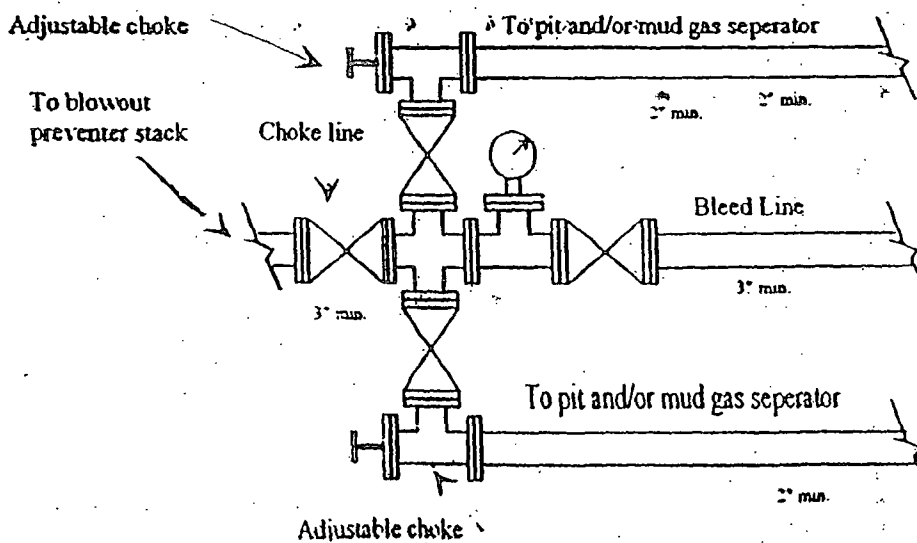


Yates Petroleum Corporation  
Typical 3,000 psi Pressure System  
Schematic  
Annular with Double Ram Preventer Stack

BOP-3



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



## Permit Conditions of Approval

API: 30-015-41391

OCD Reviewer	Condition
CSHAPARD	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string.