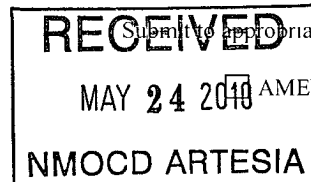


District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM 87505

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



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>3</sup> Property Code 36591	<sup>5</sup> Property Name Jericho BKJ State Com	<sup>3</sup> API Number 30-015-38006
<sup>9</sup> Proposed Pool 1 Hackberry Draw; Morrow, North		<sup>10</sup> Proposed Pool 2

<sup>7</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
M	15	25S	27E		660'	South	660'	West	Eddy

<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
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Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code Gas	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3139'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 12400'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.375"	48#	400'	420	0
12.25"	9.625"	36#	2300'	775	0
8.75"	7"	23 & 26#	8900'	1050	1800'
6.125"	4.5"	11.6#	12400'	450	8400'

<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

<sup>23</sup>

Yates Petroleum Corporation proposes to drill/test the Morrow and intermediate formations. Approximately 420' of surface casing will be set and Cemented. If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production

MUD PROGRAM 0-400' Fresh Water Gel; 400'-2300' Brine; 2300'-8900' Fresh Water; 8900'-10000' Brine; 10000' 12400' SaltGel/6% KCL.

BOPE PROGRAM: A 5000# BOPE will be installed on the 9 625" casing and tested daily.

H2S is not anticipated for this well

C-102 attached.

C-144 attached.

(Previously Approved APD # 30-015-35686)

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

Signature

Monte Sanders

Printed name  
Cy Cowan

Title  
Land Regulatory Agent

E-mail Address:  
cy@yatespetroleum.com

Date  
5/20/10

Phone  
575-748-4372

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

Conditions of Approval Attached ☐

## DISTRICT I

1626 N. French Dr., Hobbs, NM 88240

## DISTRICT II

811 South First, Artesia, NM 88210

## DISTRICT III

1000 Elv Brazos Rd., Aztec, NM 87410

## DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1989

Instruction 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	Pool Code	Pool Name Hackberry Draw; Morrow, North
Property Code	Property Name Jericho BKJ State Com	Well Number 1
OGED No. 025575	Operator Name Yates Petroleum Corporation	Elevation 3149'

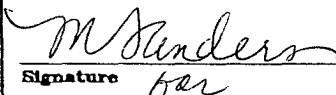
## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	25S	27E		660	South	660	West	Eddy

## 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 320	Joint or Infill	Consolidation Code	Order No.						

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

				<b>OPERATOR CERTIFICATION</b>  I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.   Signature Cy Cowan Printed Name Land Regulatory Agent Title 5/20/10 Date
VO-7319				<b>SURVEYOR CERTIFICATION</b>  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.  <b>REFER TO ORIGINAL PLAT</b>  Date Surveyed Signature & Seal of Professional Surveyor  Certificate No.
660'				

## District I

1825 N. French Dr., Hobbs, NM 88240

## District II

1301 W. Grand Avenue, Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

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

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 pool Name
		Hackberry Draw, Morrow / North
4 Property Code	5 Property Name	6 Well Number
	JERICO "BKJ" STATE COM.	1
7 OGRID No. 025575	8 Operator Name	9 Elevation
	YATES PETROLEUM CORPORATION	3139

## 10 Surface Location


UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	15	25-S	27-E		660	SOUTH	660	WEST	EDDY

## 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

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.

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.

				17 OPERATORS CERTIFICATION 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 undivided 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 mineral or working interest, or to voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  Signature: <i>Cy Cowan</i> Date: 6/28/07 Cy Cowan, Regulatory Agent Printed Name Agent
				18 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.  APRIL 22, 2007 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number: DAN R. REDDY PROFESSIONAL SURVEYOR #5412
10-7319				
LAT N32.12474 LON W104.18462				
660'				
660'				