

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

Form C-101  
Revised July 18, 2013

HOBBS OGD

Energy Minerals and Natural Resources

DEC 10 2013

Oil Conservation Division

☐ AMENDED REPORT

1220 South St. Francis Dr.

RECEIVED

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. 4 <sup>th</sup> STREET ARTESIA, NM 88210		<sup>2</sup> OGRID Number 25575
		<sup>3</sup> API Number 30-025-41556
<sup>4</sup> Property Code 12519	<sup>5</sup> Property Name LOTUS ALT STATE	<sup>6</sup> Well No. 10

<sup>7</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	32	22S	32E	N	480	S	1650	W	LEA

<sup>8</sup> Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

<sup>9</sup> Pool Information

WC-025 G-07 S2332040; Wildcat, Bone Springs	Pool Name	Pool Code 97402
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Additional Well Information

<sup>11</sup> Work Type New Well	<sup>12</sup> Well Type OIL	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type State	<sup>15</sup> Ground Level Elevation 3542'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8600'	<sup>18</sup> Formation Bone Spring	<sup>19</sup> Contractor	<sup>20</sup> Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

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

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	850	800	0
Int1	11	8.625	36	4500	1400	0
Prod	7.875	5.5	17	8600	1475	0

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Bone Spring/intermediate formations. Approximately 850' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run/cemented; will perforate/stimulate as needed as needed for production.  
MUD PROGRAM: 0-850' FW/Native Mud; 850'-4500' Brine Water; 4500'-8400' Cut Brine; 8400'-TD Cut Brine/Starch.  
H2S is not anticipated for this well

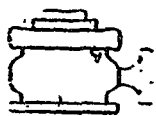
<sup>22</sup> Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: <i>Lori Flores</i>		OIL CONSERVATION DIVISION	
Printed name: Lori Flores		Approved By: <i>[Signature]</i>	
Title: Land Regulatory Tech		Title: Petroleum Engineer	
E-mail Address: lorif@yatespetroleum.com		Approved Date: 12/13/13 Expiration Date: 12/13/15	
Date: 12/6/2013	Phone: 575-748-4448	Conditions of Approval Attached	

DEC 16 2013

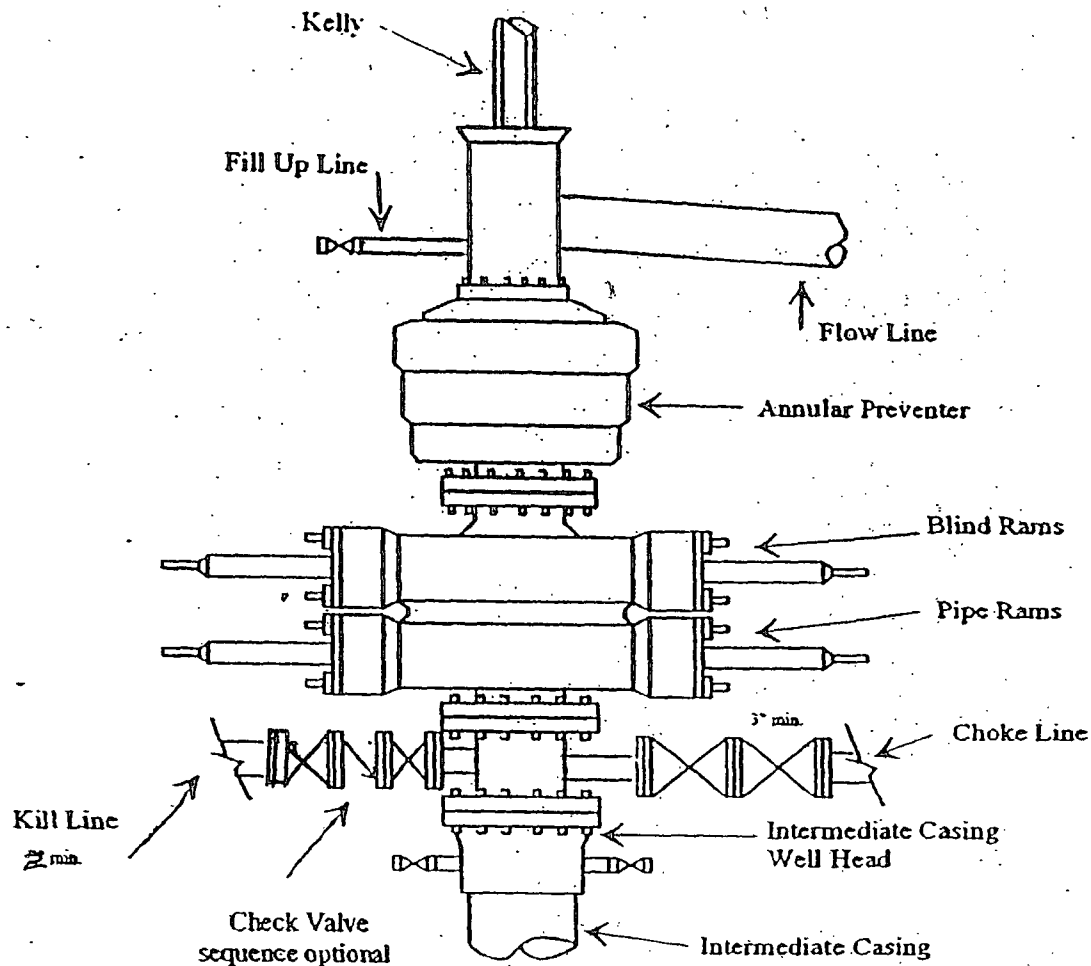
bn



# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



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

