

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

Form C-101
August 1, 2011
Permit 155516

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

1. Operator Name and Address YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA, NM 88210		2. OGRID Number 25575
		3. API Number 30-025-40806
4. Property Code 39479	5. Property Name FORHORN BFM STATE COM	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	32	22S	34E	P	305	S	990	E	LEA

8. Proposed Bottom Hole Location

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

9. Pool Information

WC-025 G-06 S223421L;BONE SPRING	97922
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3693
16. Multiple N	17. Proposed Depth 15394	18. Formation 3rd Bone Spring Sand	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	670	544	0
Int1	12.25	9.625	36	5100	1655	0
Prod	8.5	5.5	17	15394	1650	7500
Prod	8.75	5.5	17	7500	555	4600

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	
DoubleRam	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify 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:	OIL CONSERVATION DIVISION Approved By: Paul Kautz	
Printed Name: Electronically filed by LORI FLORES	Title: Geologist	
Title: Land Regulatory Technician	Approved Date: 10/2/2012	Expiration Date: 10/2/2014
Email Address: lorif@yatespetroleum.com		
Date: 9/28/2012	Phone: 575-748-4448	Conditions of Approval Attached

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

Form C-102
August 1, 2011
Permit 155516

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40806	2. Pool Code 97922	3. Pool Name WC-025 G-06 S223421L;BONE SPRING
4. Property Code 39479	5. Property Name FORHORN BFM STATE COM	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3693

10. Surface Location

UL - Lot P	Section 32	Township 22S	Range 34E	Lot Idn	Feet From 305	N/S Line S	Feet From 990	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

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UL - Lot A	Section 32	Township 22S	Range 34E	Lot Idn A	Feet From 330	N/S Line N	Feet From 660	E/W Line E	County LEA
12. Dedicated Acres 160.00		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

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Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: FORHORN BFM STATE COM #001H

API: 30-025-40806

Created By	Comment	Comment Date
THAHN	C-144, and C-102 are to follow by mail.	9/28/2012
THAHN	H2S is not anticipated.	9/28/2012
THAHN	Samples: 30' samples to 4500', then 10' samples to TD.	9/28/2012
THAHN	Maximum anticipated BHP (Depths are TVD): 0'-670' is 321 PSI, 670'-5100' is 2705 PSI, 5100'-10979' is 5252 PSI, and 10979'-12200' is 5836 PSI.	9/28/2012
THAHN	Pilot hole will be drilled vertically to 12200'. A 200' isolation plug will be set from 12200' and a 600' kick off plug from 10800'. Cement plug will then be drilled out and well will be kicked off at 10470' and directionally drilled at 12 degrees per 100' with a 8.75" hole to 11217' MD (10948' TVD). Hole size will then be reduced to 8.5" and drilled to 15394' MD (10979' TVD) where 5.5" casing will be set and cemented. A DV tool will be set at 7500' and cemented in two stages. Penetration point of the producing zone will be encountered at 778' FSL & 962' FEL. Deepest TVD in pilot hole wi	9/28/2012
pkautz	Land p/S	9/28/2012
DMULL	BHL @ A-32-22s-33e, 330/N & 660/E, 160 acres, Units P,I,H,A;	10/2/2012
DMULL	OCD Hobbs has received form C-144CLEZ. OCD Permit Number P1-05264.	10/2/2012

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575

Well: FORHORN BFM STATE COM #001H

API: 30-025-40806

OCD Reviewer	Condition
pkautz	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