

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8161 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 176286

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

<b>1. Operator Name and Address</b> YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA, NM 88210		<b>2. OGRID Number</b> 25575
		<b>3. API Number</b> 30-015-41782
		<b>6. Well No.</b> 002H
<b>4. Property Code</b> 30036	<b>5. Property Name</b> Abundance AVZ	

**7. Surface Location**

UL - Lot	B	Section	23	Township	19S	Range	25E	Lot Idn		Feet From	250	N/S Line	N	Feet From	660	E/W Line	E	County	Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot	A	Section	14	Township	19S	Range	25E	Lot Idn	A	Feet From	330	N/S Line	N	Feet From	660	E/W Line	E	County	Eddy
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**9. Pool Information**

North Seven Rivers, Glorieta-Yeso	0
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3425
16. Multiple N	17. Proposed Depth 7532	18. Formation Yeso Formation	19. Contractor	20. Spud Date 10/18/2013
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

**21. 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	1000	750	0
Prod	8.5	5.5	17	7532	1295	0

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	Not known at this time

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 ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.	<b>OIL CONSERVATION DIVISION</b>
<b>Signature:</b>	
Printed Name: Electronically filed by LORI FLORES	Approved By: Randy Dade
Title: Land Regulatory Technician	Title: District Supervisor
Email Address: lorif@yatespetroleum.com	Approved Date: 11/5/2013      Expiration Date: 11/5/2015
Date: 11/5/2013      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 176286

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41782	2. Pool Code	3. Pool Name North Seven Rivers, Glorieta-Yeso
4. Property Code 30036	5. Property Name Abundance AVZ	6. Well No. 002H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3425

10. Surface Location

UL - Lot B	Section 23	Township 19S	Range 25E	Lot Idn	Feet From 250	N/S Line N	Feet From 660	E/W Line E	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot A	Section 14	Township 19S	Range 25E	Lot Idn B	Feet From 330	N/S Line N	Feet From 660	E/W Line E	County Eddy
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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	<div>OPERATOR CERTIFICATION</div> <div> <div>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(s) 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.</div> <div> <div>E-Signed By:</div> <div>LORI FLORES</div> </div> <div> <div>Title:</div> <div>Land Regulatory Technician</div> </div> <div> <div>Date:</div> <div>11/5/2013</div> </div> </div>								
	<div>SURVEYOR CERTIFICATION</div> <div> <div>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.</div> <div> <div>Surveyed By:</div> <div>Gary Jones</div> </div> <div> <div>Date of Survey:</div> <div>10/12/2013</div> </div> <div> <div>Certificate Number:</div> <div>7977</div> </div> </div>								

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Form APD Comments

Permit 176286

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

**PERMIT COMMENTS**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-015-41782
	Well: Abundance AVZ #002H

Created By	Comment	Comment Date
THAHN	C-102 has been mailed in, this is being submitted to correct rejected C-101.	11/5/2013
THAHN	Samples: 10' Samples	11/5/2013
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1000' is 452 PSI 1000'-2698' is 1221 PSI	11/5/2013
THAHN	H2S is anticipated and a H2S plan has been submitted.	11/5/2013
THAHN	Well will be drilled vertically to 2220' then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 2973' MD (2698' TVD). Hole size will then be reduced to 8.5" and drilled to 7532' MD (2675' TVD) where 5.5" casing will be set and cemented. Production string will be cemented to surface. Penetration point of producing zone to be stimulated will be encountered at 330' FSL and 660' FEL, 14-19S-25E. Deepest TVD is 2698' in the lateral.	11/5/2013
CSHAPARD	Land p/P	11/5/2013

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Form APD Conditions

Permit 176286

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-41782
		Well: Abundance AVZ #002H

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