

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 177027

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 30-025-41561
4. Property Code 40238	5. Property Name TANGO BTP STATE COM	
		6. Well No. 003H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	36	20S	33E		200	N	1980	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
O	36	20S	33E	O	330	S	1980	E	Lea

9. Pool Information

WC-025 G-08 S213304D;BONE SPRING	97895
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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 3687
16. Multiple N	17. Proposed Depth 15850	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

☒ 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	17.5	13.375	48	1730	1275	0
Int1	12.25	9.625	36	6000	2015	0
Prod	8.5	5.5	17	15850	870	10800
Prod	8.75	5.5	17	11571	1845	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	
Double Ram	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 checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: _____ Printed Name: Electronically filed by LORI FLORES Title: Land Regulatory Technician Email Address: lorif@yatespetroleum.com Date: 11/14/2013	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> Approved By: Paul Kautz Title: Geologist Approved Date: 12/17/2013 Expiration Date: 12/17/2015 Conditions of Approval Attached
Phone: 575-748-4448	

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Form C-102
August 1, 2011
Permit 177027

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41561	2. Pool Code 97895	3. Pool Name WC-025 G-08 S213304D;BONE SPRING
4. Property Code 40238	5. Property Name TANGO BTP STATE COM	6. Well No. 003H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3687



10. Surface Location

UL - Lot B	Section 36	Township 20S	Range 33E	Lot Idn	Feet From 200	N/S Line N	Feet From 1980	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot O	Section 36	Township 20S	Range 33E	Lot Idn	Feet From 330	N/S Line S	Feet From 1980	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

<div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 20px;">  </div> <div style="margin-bottom: 20px;">  </div> </div>	<div style="text-align: center; font-weight: bold; margin-bottom: 10px;">OPERATOR CERTIFICATION</div> <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(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.</i></p> <p>E-Signed By: LORI FLORES Title: Land Regulatory Technician Date: 11/14/2013</p> <hr/> <div style="text-align: center; font-weight: bold; margin-bottom: 10px;">SURVEYOR CERTIFICATION</div> <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>Surveyed By: Gary Jones Date of Survey: 10/16/2013 Certificate Number: 7977</p>
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Form APD Comments

Permit 177027

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: 30-025-41561
	Well: TANGO BTP STATE COM #003H

Created By	Comment	Comment Date
THAHN	C-102 and drilling plan to follow by mail.	11/14/2013
THAHN	H2S is not anticipated.	11/14/2013
THAHN	Samples: 30' Sample to 4500'. 10' Samples 4500'-TD	11/14/2013
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1730' is 828 PSI 1730'-6000' is 3182 PSI 6000'-11338' is 5424 PSI	11/14/2013
THAHN	Well will be drilled to 10825'. Well will then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 11571' MD (11302' TVD). Hole size will then be reduced to 8.5" and drilled to 15850' MD (11338' TVD) where 5.5" casing will be set. Production casing will be cemented to surface with a DV/packer stage tool at approx 10800' and 6100'. Penetration point of producing zone will be encountered at 673' FNL and 1980' FEL, 36-20S-33E. Deepest TVD in the well is 11338' in lateral.	11/14/2013
pkautz	Potash area R-111-p	11/20/2013
pkautz	Land s/s	11/20/2013
pkautz	Letters sent to BLM & SLO	11/20/2013

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Form APD Conditions

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Santa Fe, NM 87505

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-41561
	Well: TANGO BTP STATE COM #003H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
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
pkautz	SURFACE CASING- Must be set 25' below top of Rustler Anhydrite in order to seal off protectable water. Cement on surface casing must circulate to surface.
pkautz	INTERMEDIATE CASING STRING -- Must circulate cement to surface