

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 181895

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
4. Property Code 17549		3. API Number 30-025-41672
5. Property Name BERRY APN STATE		6. Well No. 005H

7. Surface Location

UL - Lot K	Section 5	Township 21S	Range 34E	Lot Idn 14	Feet From 2655	N/S Line S	Feet From 1980	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot C	Section 5	Township 21S	Range 34E	Lot Idn 3	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County Lea
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9. Pool Information

BERRY;BONE SPRING, NORTH	5535
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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 3718
16. Multiple N	17. Proposed Depth 15542	18. Formation 2nd 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	1815	1330	0
Int1	12.5	9.625	36	6035	2025	0
Prod	8.5	5.5	17	15542	905	10300
Prod	8.75	5.5	17	11088	900	5535

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:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by LORI FLORES	Approved By: Paul Kautz
Title: Land Regulatory Technician	Title: Geologist
Email Address: lorif@yatespetroleum.com	Approved Date: 2/21/2014 Expiration Date: 2/21/2016
Date: 2/20/2014 Phone: 575-748-4448	Conditions of Approval Attached

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Form C-102
August 1, 2011

Permit 181895

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41672	2. Pool Code 5535	3. Pool Name BERRY;BONE SPRING, NORTH
4. Property Code 17549	5. Property Name BERRY APN STATE	6. Well No. 005H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3718

10. Surface Location

UL - Lot K	Section 5	Township 21S	Range 34E	Lot Idn 14	Feet From 2655	N/S Line S	Feet From 1980	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 5	Township 21S	Range 34E	Lot Idn 3	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County Lea
12. Dedicated Acres 159.27	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

	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <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: 2/20/2014</p>
	<p style="text-align: center;">SURVEYOR CERTIFICATION</p> <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: 12/11/2013 Certificate Number: 7977</p>

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Form APD Comments

Permit 181895

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-41672
	Well: BERRY APN STATE #005H

Created By	Comment	Comment Date
THAHN	H2S is not anticipated and has not been found in the area.	2/20/2014
THAHN	Samples: 30' Sample to 6035'. 10' Samples 6035'-TD	2/20/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1815' is 868 PSI 1815'-6035' is 3201 PSI 6035'-10961' is 5244 PSI	2/20/2014
THAHN	Well will be drilled vertically to 10352' then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 11088' MD (10830' TVD). Hole size will then be reduced to 8.5" and drilled to 15542' MD 10961' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. Production string will be cemented in three stages with a DV/packer stage tool at approx. 8800' and 10300' (cement volumes will be adjusted per tool placement). Penetration point of producing zone will be encountered at 3118' FSL and 1980' FWL, 5-21S-34E. Deepest TVD is 10961' in lateral.	2/20/2014
DMULL	S/State	2/21/2014

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Form APD Conditions

Permit 181895

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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: 30-025-41672
	Well: BERRY APN STATE #005H

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	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	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water