

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
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised December 16, 2011

Permit

HOBBS OCD

FEB 21 2013

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-025-35327
⁴ Property Code 34390	⁵ Property Name North Papalotes BFP State	⁶ Well No. 1

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	36	14S	34E		990	North	660	East	Lea

⁸ Pool Information

Morton; Perno Upper Penn, North	47350
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Additional Well Information

⁹ Work Type P	¹⁰ Well Type O	¹¹ Cable/Rotary N/A	¹² Lease Type S	¹³ Ground Level Elevation 4064'GL
¹⁴ Multiple N	¹⁵ Proposed Depth N/A	¹⁶ Formation Mississippian	¹⁷ Contractor N/A	¹⁸ Spud Date N/A
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
REFER TO ORIGINAL COMPLETION						

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation plans to plugback and recompleat this well as follows: NU BOP. Rig up all safety equipment as needed. Set a CIBP at 12,550' with 35' cement on top. Perforate Penn 10,476'-10,530' (38). TIH with tubing and packer to 10,530'. Spot 5 bbls 15% NEFE HCL and pull packer up to 10,440'. Reverse acid into tubing and set packer. Pump spot acid away. Flow and swab down and acidize interval with 5000g 15% NEFE HCL and 45 ball sealers. Flow and swab back load. TOH with tubing and packer and run production string for rod pump. Turn well over to production. Wellbore schematics attached.

Proposed Blowout Prevention Program

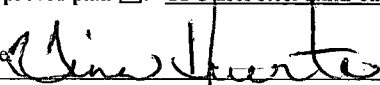
Type	Working Pressure	Test Pressure	Manufacturer
Manual BOP	3000 psi	3000 psi	Whichever company is available

Permit Expires 2 Years From Approval
Date Unless Drilling Underway

OIL CONSERVATION DIVISION

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐. YPC uses steel tanks only.

Signature: 

Printed name: Tina Huerta

Title: Regulatory Reporting Supervisor

E-mail Address: tinah@yatespetroleum.com

Date: February 19, 2013

Phone: 575-748-4168

Approved By:

Title: Petroleum Engineer

Approved Date: 03/05/13

Expiration Date: 03/05/15

Conditions of Approval Attached

MAR 06 2013

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HOBBS OCD

State of New Mexico
Energy, Minerals & Natural Resources Department
FEB 21 2011 CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

RECEIVED
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-35327		² Pool Code 47350		³ Pool Name Morton; Permo Upper Penn, North	
⁴ Property Code 34390		⁵ Property Name North Papalotes BFP State			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4064'GR

¹⁰ Surface Location

UL or lot no. A	Section 36	Township 14S	Range 34E	Lot Idn	Feet from the 990	North/South line North	Feet from the 660	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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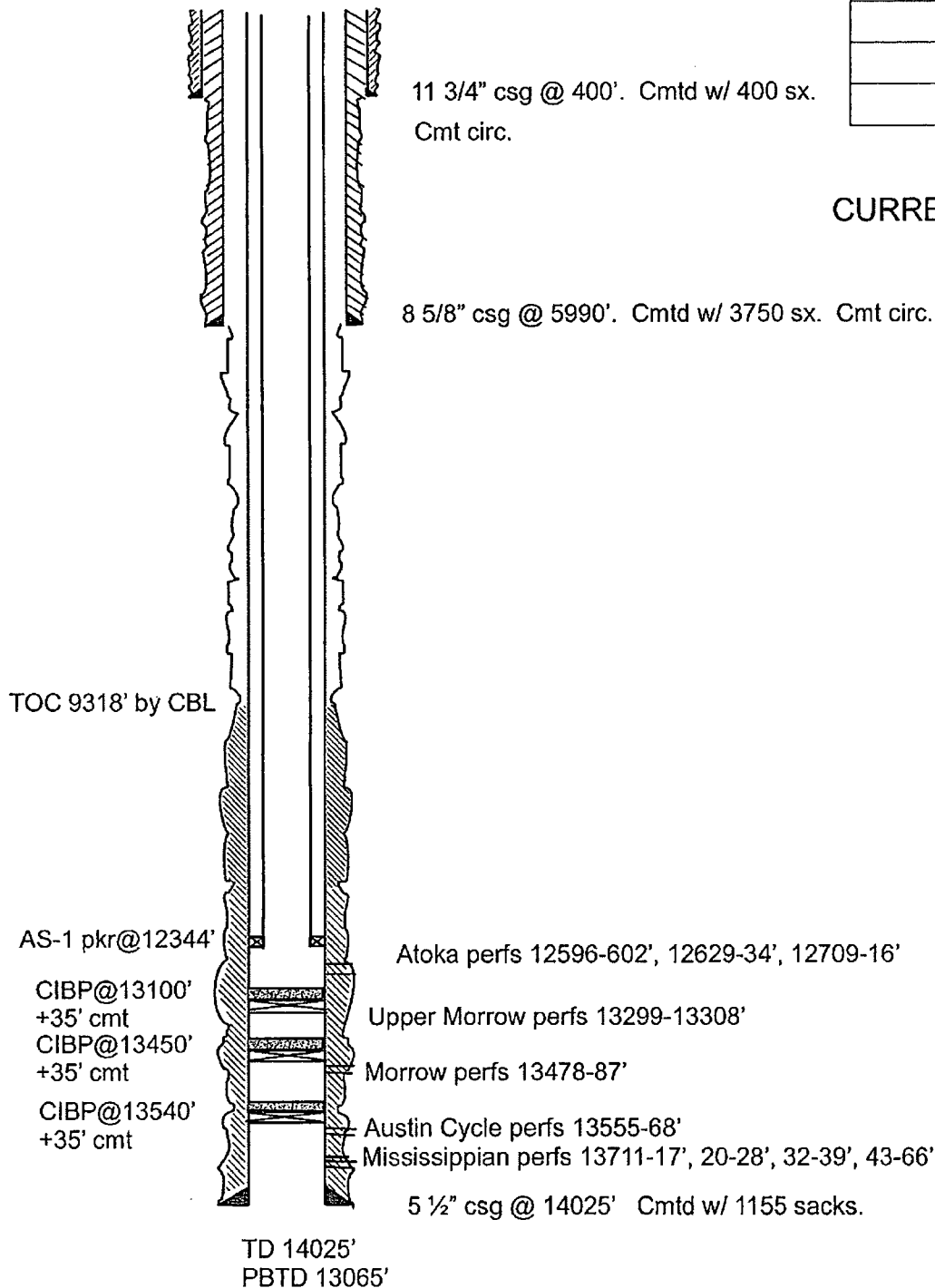
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16		17 OPERATOR CERTIFICATION 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 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 style="display: flex; justify-content: space-between;"> <div> </div> <div> February 19, 2013 Date </div> </div> <div style="display: flex; justify-content: space-between;"> <div> Tina Huerta Printed Name </div> <div> tinah@yatespetroleum.com E-mail Address </div> </div>	
		18 SURVEYOR CERTIFICATION 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 style="display: flex; justify-content: space-between;"> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> </div>	
		<div style="border: 1px solid black; height: 40px; width: 100%;"></div>	
		<div style="border: 1px solid black; height: 40px; width: 100%;"></div>	

Certificate Number

Well Name:	North Papalotes	P State #1	Field:
Location:	990' FNL & 660' FEL Sec. 36-14S-34E Lea Co, NM		
GL:	4064'	Zero:	AGL: KB: 4082'
Spud Date:	Completion Date:		
Comments:			

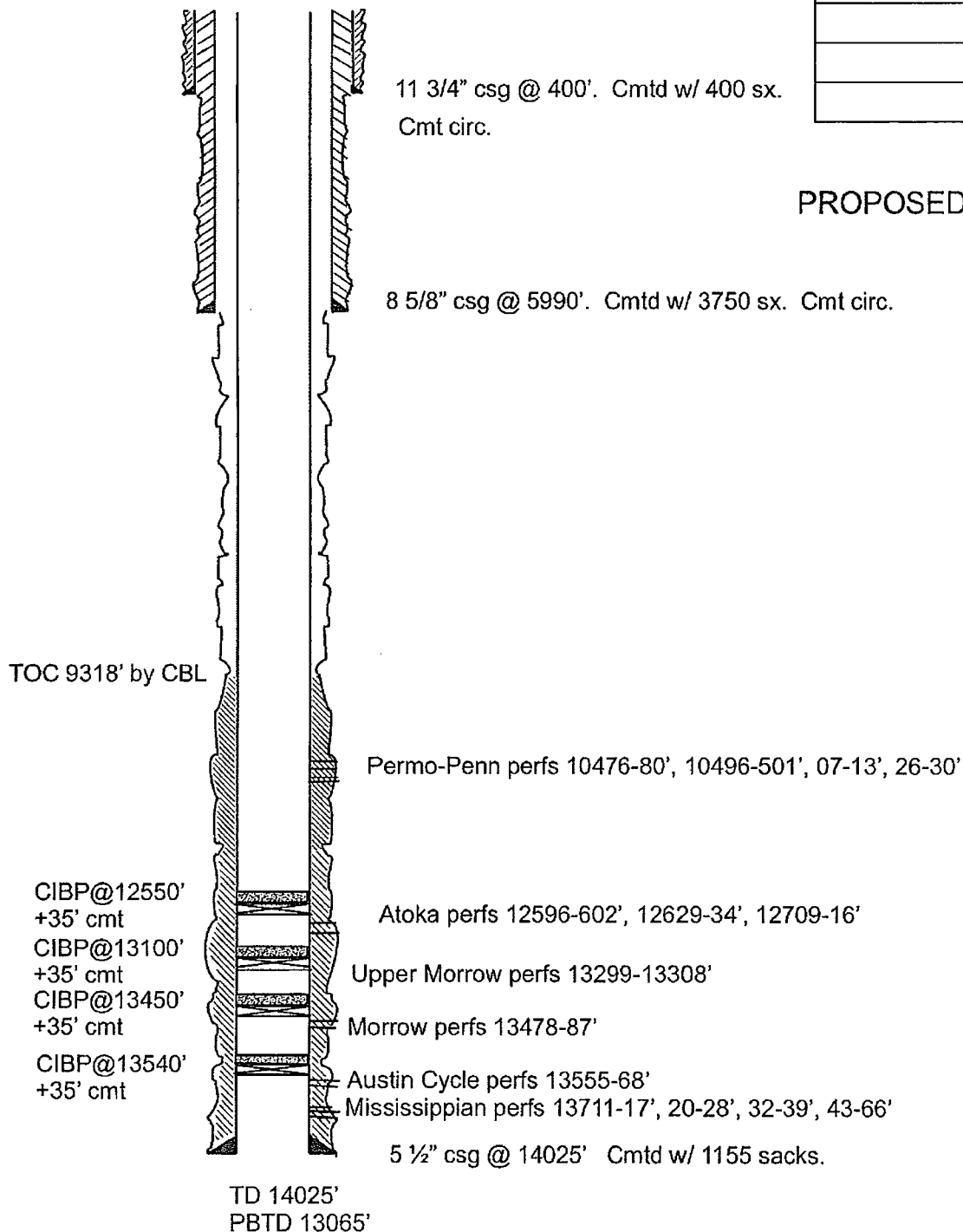
Casing Program	
Size/Wt/Grade/Conn	Depth
11 3/4" 42# H40	400'
8 5/8" 32# J55 & N80	5990'
5 1/2" 17&20# L80,P110	14025'



CURRENT CONFIGURATION

Well Name:	North Papalotes	P State #1	Field:
Location:	990' FNL & 660' FEL Sec. 36-14S-34E Lea Co, NM		
GL:	4064'	Zero:	AGL: KB: 4082'
Spud Date:	Completion Date:		
Comments:			

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Size/Wt/Grade/Conn	Depth
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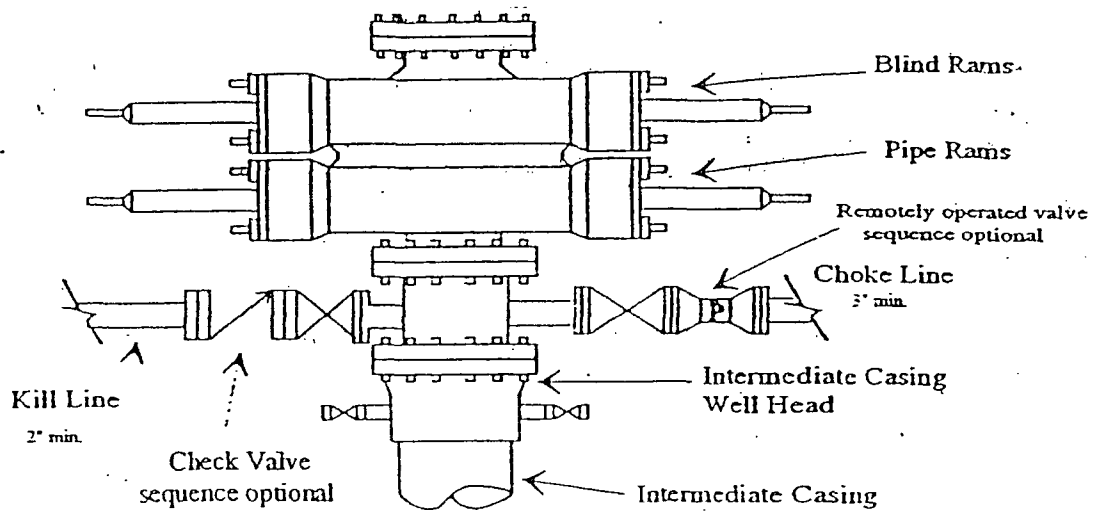


PROPOSED CONFIGURATION

Date: 1/4/13 North Papalotes1a

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



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

