## State of New Mexico

Form C-101 Permit 82291

## **Energy, Minerals and Natural Resources**

## Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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

	in the state of th							
1.	Operator Name and Address  YATES PETROLEUM CORPORATION							
YATES PI								
ا ا	105 S 4TH ST ARTESIA , NM 88210	3. API Number						
ĺ	nttesia, nivi oozio	30-025-39174						
4. Property Code	5. Property Name	6. Well No.						
32747	KRIS STATE UNIT	005						

### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	27	115	34E	D	660	N	660	W	LEA

### 8. Pool Information

EIGHT MILE DRAW;MISSISSIPPIAN (GAS)

97015

### Additional Well Information

9. Work Type New Well	2000	11 Type AS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4176	
14. Multiple N	\$1000 (ST	osed Depth 2430	16. Formation Chester	17. Contractor	18. Spud Date	
Depth to Ground	Depth to Ground water			fresh water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste		mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water   Brine   □	Diesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Туре	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	400	250	0
Int1	11	8.625	32	4150	1125	0
Prod	7.875	5.5	17	12430	800	8600

### Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill and test the Chester/Intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4,150', cement circulated to surface. If commercial, production casing will be ran and cemented, perforated, and stimulated as need to gain production.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	

of my knowledge and belief.	nation given above is true and complete to the best Hing pit will be constructed according to	OIL CONSERVATION DIVISION				
	eneral permit , or an (attached) alternative	Approved By: Paul Kautz				
Printed Name: Electroni	cally filed by Monti Sanders	Title: Geologist				
Title:	500 500	Approved Date: 9/24/2008	Expiration Date: 9/24/2010			
Email Address: montis@	dypenm.com					
Date: 9/22/2008	Phone: 575-748-4244					

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210 Phone:(505) 748-1283 Fax:(505) 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

Form C-102 Permit 82291

## Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

### WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3. Pool Name EIGHT MILE DRAW;MISSISSIPPIAN (GAS)			
30-025-39174	97015				
4. Property Code	5. Prop	erty Name	6. Well No.		
32747	KRIS STATE UNIT		005		
7. OGRID No.	8. Oper	ator Name	9. Elevation		
25575	YATES PETROLEU	4176			

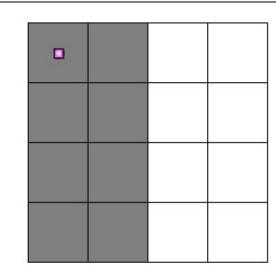
### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	27	11S	34E		660	N	660	w	LEA

#### 11. Bottom Hole Location If Different From Surface

	11: Develor field Education if Deficient Field States											
UL - Lot	Section	Towns	hip	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
10751453	ated Acres		13. J	Toint 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



### 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(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.

E-Signed By: Monti Sanders

Title:

Date: 9/22/2008

### 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.

Surveyed By: Gary Jones
Date of Survey: 9/20/2008
Certificate Number: 7977

# Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: KRIS STATE UNIT #005

API: 30-025-39174

Created By	Comment	Comment Date
DCAFFALL	MUD PROGRAM: 0-400' Fresh Water Gel; 400' – 1952' Fresh Water; 1952' – 4150' Red Bed Mud/Oil; 4150' – 7650' Cut Brine; 7650' – 12,430' SW Gel/Starch	9/19/2008
DCAFFALL	BOPE PROGRAM: A 5000 psi BOP nippled up on 8 5/8" casing.	9/19/2008
DCAFFALL	Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface to the Chester formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.	9/19/2008
DCAFFALL	The new C-144 for Close Loop System that reflects rule changes effective June 16, 2008 will be submitted on paper to the appropriate OCD district office.	9/19/2008
DCAFFALL	C144 will be faxed and hard copy to follow in mail	9/22/2008
DMULL	OCD received form C-144 "Pit Registration". OCD Permit Number P1-00507.	9/24/2008