

**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 173689

**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 40139		3. API Number 30-015-41691
5. Property Name Anthill State SWD		6. Well No. 005

**7. Surface Location**

UL - Lot K	Section 2	Township 20S	Range 29E	Lot Idn K	Feet From 1320	N/S Line S	Feet From 1320	E/W Line W	County Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot K	Section 2	Township 20S	Range 29E	Lot Idn K	Feet From 1320	N/S Line S	Feet From 1320	E/W Line W	County Eddy
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**9. Pool Information**

Devonian	96101
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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 3318
16. Multiple N	17. Proposed Depth 13400	18. Formation Devonian	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	400	415	0
Int2	12.25	9.625	36	1750	605	1750
Int1	12.25	9.625	36	2750	380	1750
Prod	8.75	7	26	7000	675	7000
Prod	8.75	7	26	12640	630	7000
Prod	8.75	7	26	12950	100	12640

**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: 9/18/2013	<div style="text-align: center;"><b>OIL CONSERVATION DIVISION</b></div> Approved By: Randy Dade Title: District Supervisor Approved Date: 9/19/2013      Expiration Date: 9/19/2015 Conditions of Approval Attached
Phone: 575-748-4448	

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	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></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:      <b>LORI FLORES</b></p> <p>Title:                <b>Land Regulatory Technician</b></p> <p>Date:                 <b>9/18/2013</b></p>
	<p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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:        <b>Gary Jones</b></p> <p>Date of Survey:     <b>7/12/2013</b></p> <p>Certificate Number: <b>7977</b></p>

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Form APD Comments

Permit 173689

**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: 30-015-41691
	Well: Anthill State SWD #005

Created By	Comment	Comment Date
THAHN	C-102 and well design to follow by mail. H2S is not anticipated.	9/18/2013
THAHN	Anthill State SWD #5 will be a salt water disposal well and will not be used for production.	9/18/2013
CSHAPARD	Land s/S	9/19/2013

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Form APD Conditions  
Permit 173689

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-41691
		Well: Anthill State SWD #005
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	