

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 183694

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 40480		3. API Number 30-015-42252
5. Property Name Roy AET Com		6. Well No. 009H

7. Surface Location

UL - Lot	A	Section	17	Township	19S	Range	25E	Lot Idn		Feet From	990	N/S Line	N	Feet From	15	E/W Line	E	County	Eddy
----------	---	---------	----	----------	-----	-------	-----	---------	--	-----------	-----	----------	---	-----------	----	----------	---	--------	------

8. Proposed Bottom Hole Location

UL - Lot	D	Section	17	Township	19S	Range	25E	Lot Idn	D	Feet From	900	N/S Line	N	Feet From	330	E/W Line	W	County	Eddy
----------	---	---------	----	----------	-----	-------	-----	---------	---	-----------	-----	----------	---	-----------	-----	----------	---	--------	------

9. Pool Information

N. SEVEN RIVERS; GLORIETA-YESO	97565
--------------------------------	-------

Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3531
16. Multiple N	17. Proposed Depth 7310	18. Formation Yes0	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	14.75	9.625	36	1000	750	0
Prod	7.875	5.5	17	7310	915	0

Casing/Cement Program: Additional Comments

--

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

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: Randy Dade
Title: Land Regulatory Technician	Title: District Supervisor
Email Address: lorif@yatespetroleum.com	Approved Date: 3/27/2014 Expiration Date: 3/27/2016
Date: 3/26/2014 Phone: 575-748-4448	Conditions of Approval Attached

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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-102
August 1, 2011
Permit 183694

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42252	2. Pool Code 97565	3. Pool Name N. SEVEN RIVERS; GLORIETA-YESO
4. Property Code 40480	5. Property Name Roy AET Com	6. Well No. 009H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3531

10. Surface Location

UL - Lot A	Section 17	Township 19S	Range 25E	Lot Idn	Feet From 990	N/S Line N	Feet From 15	E/W Line E	County Eddy
---------------	---------------	-----------------	--------------	---------	------------------	---------------	-----------------	---------------	----------------

11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 17	Township 19S	Range 25E	Lot Idn	Feet From 900	N/S Line N	Feet From 330	E/W Line W	County Eddy
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="border: 1px solid black; width: 100%; height: 100%; position: relative;"> <div style="position: absolute; top: 5px; left: 5px; width: 20px; height: 20px; background-color: purple; border: 1px solid black;"></div> <div style="position: absolute; top: 5px; right: 5px; width: 20px; height: 20px; background-color: green; border: 1px solid black;"></div> </div>	<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: 3/26/2014</p> <hr/> <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: 3/6/2014 Certificate Number: 7977</p>
--	--

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

Form APD Comments

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Permit 183694

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-015-42252
	Well: Roy AET Com #009H

Created By	Comment	Comment Date
THAHN	H2S may be encountered and preparation will be made. C-102 and drilling plan will follow.	3/26/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1000' is 452 PSI 1000'-2535' is 1147 PSI	3/26/2014
THAHN	Well will be drilled vertically to 2058' then be kicked off and directionally drilled at 12 degrees per 100' with a 7 7/8" hole to 2822' MD (2535' TVD). The lateral will then be drilled with a 7 7/8" hole to 7310' MD (2400' TVD) where 5 1/2" casing will be set and cemented. Production string will be cemented to surface. Penetration point of producing zone will be encountered at 978' FNL and 507' FEL, 17-19S-25E. Deepest TVD is 2535' in the lateral.	3/26/2014
CSHAPARD	Land p/P	3/27/2014

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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) 334-8178 Fax:(505) 334-8170
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 APD Conditions

Permit 183694

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-42252
		Well: Roy AET Com #009H

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