

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 187232

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 40110		3. API Number 30-025-41917
5. Property Name DATE BTB STATE COM		6. Well No. 005H

7. Surface Location

UL - Lot	D	Section	14	Township	21S	Range	33E	Lot Idn		Feet From	15	N/S Line	N	Feet From	490	E/W Line	W	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	M	Section	14	Township	21S	Range	33E	Lot Idn	M	Feet From	230	N/S Line	S	Feet From	490	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 3803
16. Multiple N	17. Proposed Depth 15811	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	1880	1380	0
Int1	12.25	9.625	36	6180	2070	0
Prod	8.5	5.5	17	15811	1010	0
Prod	8.75	5.5	17	11262	1840	0

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 Travis Hahn Title: Land Regulatory Agent Email Address: thahn@yatespetroleum.com Date: 6/5/2014	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 6/16/2014 Expiration Date: 6/16/2016 Conditions of Approval Attached
Phone: 575-748-4120	

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Form C-102

August 1, 2011

Permit 187232

**State of New Mexico
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 30-025-41917	2. Pool Code 5535	3. Pool Name BERRY;BONE SPRING, NORTH
4. Property Code 40110	5. Property Name DATE BTB STATE COM	6. Well No. 005H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3803



10. Surface Location

UL - Lot D	Section 14	Township 21S	Range 33E	Lot Idn	Feet From 15	N/S Line N	Feet From 490	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 14	Township 21S	Range 33E	Lot Idn	Feet From 230	N/S Line S	Feet From 490	E/W Line W	County Lea
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

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: Travis Hahn
Title: Land Regulatory Agent
Date: 6/5/2014

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: 4/16/2014
Certificate Number: 7977

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Form APD Comments

Permit 187232

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-41917
	Well: DATE BTB STATE COM #005H

Created By	Comment	Comment Date
Ynavarrette	C-102 and horizontal drilling diagram will follow by mail.	6/5/2014
Ynavarrette	Samples: 30' Sample to 6180' is 10' Samples 6180'-TD	6/5/2014
Ynavarrette	Well will be drilled vertically to 10513' and then be kicked off at approx. 10513' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 11262' MD (10991' TVD). Hole size will then be reduced to 8 1/2" and drilled to 15811' MD (11009' TVD) where 5 1/2" casing will be set. Production casing will be cemented to surface. Penetration point of producing zone will be encountered at 491' FNL and 490' FWL, 14-21S-33E. Deepest TVD in the well is 11009' in lateral.	6/5/2014
pkautz	POTASH AREA	6/6/2014

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Form APD Conditions

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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: 30-025-41917
	Well: DATE BTB STATE COM #005H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
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