

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) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 200126

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 36591		3. API Number 30-015-42955
5. Property Name JERICHO BKJ STATE COM		6. Well No. 006H

7. Surface Location

UL - Lot	A	Section	15	Township	25S	Range	27E	Lot Idn		Feet From	510	N/S Line	N	Feet From	330	E/W Line	E	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	D	Section	15	Township	25S	Range	27E	Lot Idn	D	Feet From	510	N/S Line	N	Feet From	330	E/W Line	W	County	Eddy
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9. Pool Information

WILDCAT G-02 S252715A;BONE SPRING	0
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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 3172
16. Multiple N	17. Proposed Depth 12162	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	400	415	0
Int1	12.25	9.625	36	2450	835	0
Prod	8.5	5.5	17	12126	1175	5000
Prod	8.75	5.5	17	7972	595	1950

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:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Travis Hahn	Approved By: Randy Dade
Title: Land Regulatory Agent	Title: District Supervisor
Email Address: thahn@yatespetroleum.com	Approved Date: 2/25/2015 Expiration Date: 2/25/2017
Date: 2/19/2015 Phone: 575-748-4120	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 200126

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42955	2. Pool Code	3. Pool Name WILDCAT G-02 S252715A;BONE SPRING
4. Property Code 36591	5. Property Name JERICO BKJ STATE COM	6. Well No. 006H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3172

10. Surface Location

UL - Lot A	Section 15	Township 25S	Range 27E	Lot Idn	Feet From 510	N/S Line N	Feet From 330	E/W Line E	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 15	Township 25S	Range 27E	Lot Idn	Feet From 510	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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;"></td> <td style="width: 25%; height: 40px;"></td> <td style="width: 25%; height: 40px;"></td> <td style="width: 25%; height: 40px; text-align: center; vertical-align: middle;"></td> </tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>																	<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: Travis Hahn Title: Land Regulatory Agent Date: 2/19/2015</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: 12/16/2013 Certificate Number: 7977</p>

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Form APD Comments

Permit 200126

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-42955
		Well: JERICHO BKJ STATE COM #006H

Created By	Comment	Comment Date
RBELA	Samples: 10' Samples surface - TD	2/19/2015
RBELA	Logging: GR NEUTRON 30 DEG DEV. TO SURFACE NEUTRON DENSITY 30 DEG DEV. TO INTERMEDIATE CASING LATEROLOG 30 DEG DEV. TO INTERMEDIATE CASING CMR 30 DEG DEV. TO INTERMEDIATE CASING HORIZONTAL-MWD-GR	2/19/2015
RBELA	Mud logging: Yes: 10' samples surface to TD	2/19/2015
RBELA	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD' 0'-400' pressure is 191 PSI 400'-2450' pressure is 1299 PSI 2450'-7687' pressure is 3677 PSI	2/19/2015
RBELA	Well will be drilled to 7210'. Well will then be kicked off at approx. 7210' and directionally drilled at 12 degrees per 100' with a 8.75" hole to 7972' MD (7687' TVD). Hole size will then be reduced to 8.5" and drilled to 12126' MD (7580' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 510' FNL and 820' FEL, 15-25S-27E. Deepest TVD is 7687' in the lateral.	2/19/2015
RBELA	C-102 will follow by mail. H2S is not anticipated.	2/19/2015
RDAD	CLOSED LOOP WAS CHECKED NO ON PERMIT BY YATES; IF CLOSED LOOP IS TO BE USED, NOTIFY ARTESIA OCD OFFICE. IF PIT IS TO BE USED, PERMIT MUST BE SUBMITTED AND APPROVED BEFORE DRILLING CAN COMMENCE.	2/25/2015

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Form APD Conditions

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-015-42955
	Well: JERICO BKJ STATE COM #006H
OCD Reviewer	Condition