

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) 334-6170
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 202061

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
		3. API Number 30-025-42498
4. Property Code 313441	5. Property Name JUICE BUD STATE COM	6. Well No. 001

7. Surface Location

UL - Lot P	Section 19	Township 21S	Range 34E	Lot Idn	Feet From 200	N/S Line S	Feet From 660	E/W Line E	County Lea
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8. Proposed Bottom Hole Location

UL - Lot I	Section 19	Township 21S	Range 34E	Lot Idn I	Feet From 2310	N/S Line S	Feet From 660	E/W Line E	County Lea
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9. Pool Information

WC-025 G-07 S213430M;BONE SPRING	97962
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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 3730
16. Multiple N	17. Proposed Depth 12874	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	1860	1360	0
Int1	12.25	9.625	36	5600	1890	0
Prod	8.5	5.5	17	12874	975	10750
Prod	8.75	5.5	17	11250	540	5100

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: 3/30/2015	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 3/31/2015 Expiration Date: 3/31/2017 Conditions of Approval Attached
Phone: 575-748-4120	

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Form C-102
August 1, 2011
Permit 202061

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42498	2. Pool Code 97962	3. Pool Name WC-025 G-07 S213430M,BONE SPRING
4. Property Code 313441	5. Property Name JUICE BUD STATE COM	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3730

10. Surface Location

UL - Lot P	Section 19	Township 21S	Range 34E	Lot Idn	Feet From 200	N/S Line S	Feet From 660	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot I	Section 19	Township 21S	Range 34E	Lot Idn	Feet From 2310	N/S Line S	Feet From 660	E/W Line E	County Lea
12. Dedicated Acres 80.00			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: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></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: 3/30/2015</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: 6/30/2014 Certificate Number: 7977</p>

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Form APD Comments

Permit 202061

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-42498
	Well: JUICE BUD STATE COM #001

Created By	Comment	Comment Date
RBELA	Samples: 30' Sample to 5600'. 10' Samples 5600'-TD	3/30/2015
RBELA	Logging: GR NEUTRON-30 DEG DEV TO SURFACE CSG, DENSITY-30 DEG DEV TO INTERMEDIATE CSG, LATEROLOG-30 DEG DEV TO INTERMEDIATE CSG, CMR-30 DEG DEV TO INTERMEDIATE CSG.	3/30/2015
RBELA	MAXIMUM ANTICIPATED BHP: (DEPTHS ARE TVD) From 0'-1860' pressure is 880 PSI, From 1860'-5600' pressure is 2970 PSI, From 5600'-10969' pressure is 5248 PSI.	3/30/2015
RBELA	Well will be drilled vertically to 10491', then be kicked off at approx. 10491' and directionally drilled at 12 degrees per 100' with a 8.75" hole to 11250' MD (10969' TVD). Hole size will then be reduced to 8.5" and drilled to 12874' MD (10938' TVD), where 5.5" casing will be set and cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 687' FSL and 660' FEL, Section 19-T21S-R34E. Deepest TVD is 10969' in the lateral.	3/30/2015
RBELA	H2S is not anticipated, C-102 will follow by mail.	3/30/2015

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Form APD Conditions

Permit 202061

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-42498
	Well: JUICE BUD STATE COM #001

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	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	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	Pit construction and closure must satisfy all requirements of your approved plan.