

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 209637

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 315277		3. API Number 30-015-43390
5. Property Name Lajitas BWQ		6. Well No. 001H

7. Surface Location

UL - Lot	O	Section	26	Township	18S	Range	28E	Lot Idn	Feet From	660	N/S Line	S	Feet From	2440	E/W Line	E	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	N	Section	25	Township	18S	Range	28E	Lot Idn	N	Feet From	660	N/S Line	S	Feet From	2310	E/W Line	W	County	Eddy
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9. Pool Information

ILLINOIS CAMP,BONE SPRING, EAST	33590
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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 3492
16. Multiple N	17. Proposed Depth 11998	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	3200	1070	0
Prod	8.5	5.5	17	11998	460	7713
Prod	8.75	5.5	17	7713	1470	2800

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: 9/25/2015 Expiration Date: 9/25/2017
Date: 9/14/2015 Phone: 575-748-4120	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 209637

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-43390	2. Pool Code 33590	3. Pool Name ILLINOIS CAMP:BONE SPRING, EAST
4. Property Code 315277	5. Property Name Lajitas BWQ	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3492

10. Surface Location

UL - Lot O	Section 26	Township 18S	Range 28E	Lot Idn	Feet From 660	N/S Line S	Feet From 2440	E/W Line E	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot N	Section 25	Township 18S	Range 28E	Lot Idn	Feet From 660	N/S Line S	Feet From 2310	E/W Line W	County Eddy
12. Dedicated Acres 80.00	13. Joint or Infill			14. Consolidation Code Communitization			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%; height: 150px; 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: 9/14/2015</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: 8/10/2015 Certificate Number: 7977</p>

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Form APD Comments

Permit 209637

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-43390
		Well: Lajitas BWQ #001H

Created By	Comment	Comment Date
rbela	Samples: 10' samples surface to TD.	9/14/2015
rbela	Logging: GR NEUTRON 30 DEG DEV TO SURF. DENSITY 30 DEG DEV TO INTERM CSG. LATERLOG 30 DEG DEV TO INTERM CSG. (SCHLUMBERGER TOOLS PLATFORM/HRLA/CMR).	9/14/2015
rbela	Mud logging: On Below Surface Casing.	9/14/2015
rbela	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD. From 0'-400', pressure is 191 PSI. From 400'-3200', pressure is 1531 PSI. From 3200'-7571', pressure is 3622 PSI.	9/14/2015
rbela	Well will be drilled vertically to approx. 6976', and then be kicked off at approx. 6976' and directionally drilled at 12 degrees per 100' with an 8.75" hole to 7713' MD (7454' TVD). Hole size will then be reduced to 8.5" and drilled to 11998' MD (7571' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 660' FSL and 1976' FEL, Section 26-T18S-R28E. Deepest TVD is 7571' in the lateral.	9/14/2015
rbela	H2S is not anticipated. C-102 to follow.	9/14/2015

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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: 30-015-43390
	Well: Lajitas BWQ #001H

OCD Reviewer	Condition
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