

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210		² OGRID Number 025575	
JAN 12 2009 OCD-ARTESIA		³ API Number 30-015-36315	
⁴ Property Code 37157	⁵ Property Name Tombstone BMB State		⁶ Well No. 1
⁹ Proposed Pool 1 Nash Draw; Delaware		¹⁰ Proposed Pool 2	

7 Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	12	25S	29E		660	North	330	West	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3085'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Bone Spring	¹⁹ Contractor N/A	²⁰ Spud Date ASAP
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

IN PLACE

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation plans to plugback and recompleat this well or possibly commingle as follows: Rig up safety equipment as needed. Set a composite plug at +/-7280'. Perforate Delaware 6910'-6916' (7), 7002'-7006' (5) and 7046'-7052' (7). Stimulate as needed. Set a composite plug at +/-6800'. Perforate Delaware 6628'-6633' (6) and 6652'-6662' (11). Stimulate as needed. Swab test and evaluate. If wet, TIH with cement retainer and squeeze perforations. If not wet, frac these perforations. Flow well back if it will flow. TIH with bit to drill out composite plugs at 7280' and 6800' and clean out to PBTD. Will do this commingling when DHC has been approved.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: _____

Printed name: Tina Huerta

Title: Regulatory Compliance Supervisor

E-mail Address: tnah@yatespetroleum.com

Date: January 8, 2009

Phone: 575-748-4168

OIL CONSERVATION DIVISION

Approved by: _____

Title: _____

Approval Date: 1/12/09

Expiration Date: 1/12/11

Conditions of Approval Attached ☐

ENTERED
tnah

01-14-09

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-36315		² Pool Code 47545		³ Pool Name Nash Draw; Delaware	
⁴ Property Code 37157		⁵ Property Name Tombstone BMB State			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3085'GR

¹⁰ Surface Location

UL or lot no. D	Section 12	Township 25S	Range 29E	Lot Idn	Feet from the 660	North/South line North	Feet from the 330	East/West line West	County Eddy
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¹¹ Bottom Hole Location If Different From Surface

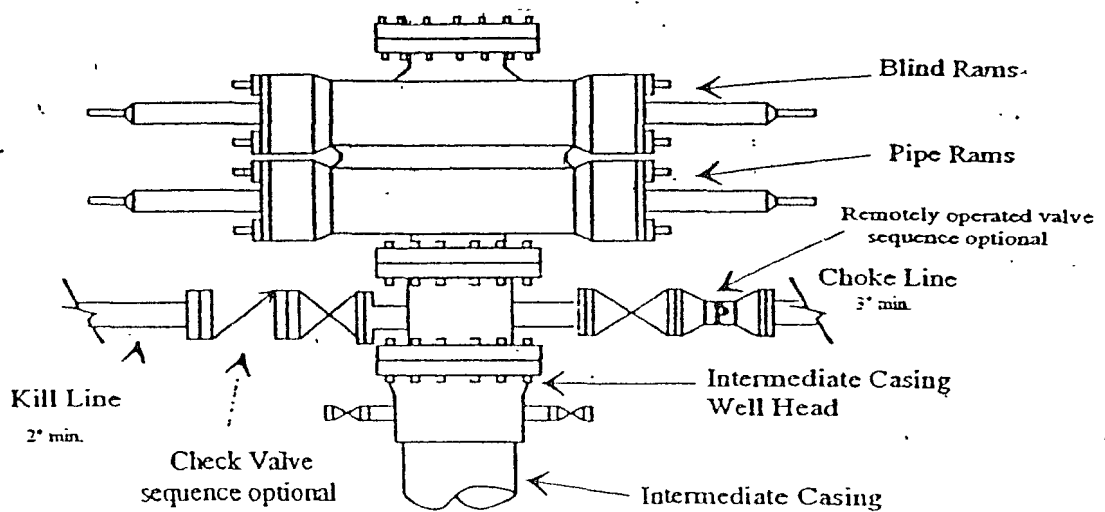
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

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.

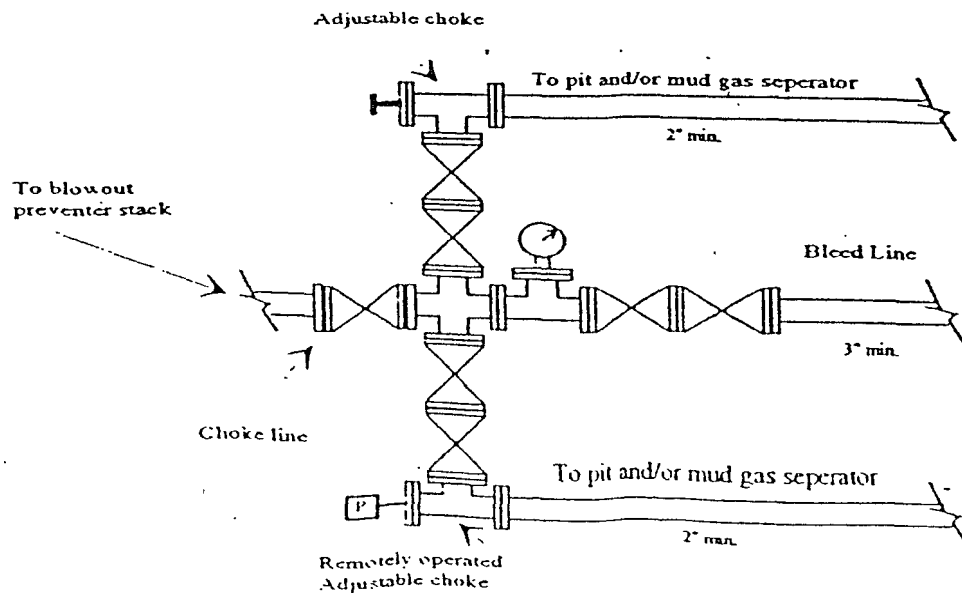
¹⁶ 				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has 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> Signature January 8, 2009 Date Tina Huerta Printed Name	
					¹⁸ SURVEYOR CERTIFICATION <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> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features



WELL NAME: Tombstone BMB State #1 FIELD: Pierce Crossing B. Spr, Nash Draw Delaware

LOCATION: 330' FNL & 660' FWL of Section 12-25S-29E Eddy Co., NM

GL: 3,085' ZERO: KB:

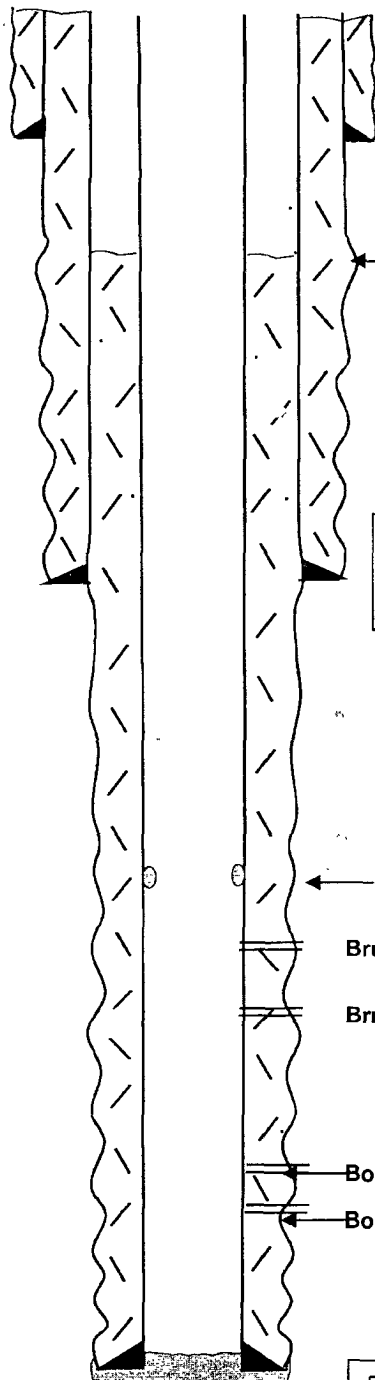
SPUD DATE: 6/10/08 COMPLETION DATE:

COMMENTS: API No.: 30-015-36315

CASING PROGRAM

13-3/8" 48# H-40	624'
8-5/8" 32# J-55 (125')	
8-5/8" 24# J-55 (463')	
8-5/8" 24# J-55 (1678')	
8-5/8" 32# J-55 (894')	3,180'
5-1/2" 17# J-55 (720')	
5-1/2" 15.5# J-55 (6,123')	
5-1/2" 17# J-55 (1,825')	
5-1/2" 17# L-80 (472')	9,200'

17-1/2"
Hole



13-3/8" @ 624' w/ 600 sx
(Circ)

Est TOC @ 1,660'

8-5/8" @ 3,180' w/
1st Stage: 400 sx
2nd Stage: 100 sx (Circ)

DV Tool @ 6,486'

Brushy Canyon Perfs: 6,628'-33' (6), 6,652'-62' (11)

Brushy Canyon Perfs: 6,910'-16' (7), 7,002'-06' (5), 7,046'-52' (7)

Bone Springs Perfs: 8,108-8,116' (17); 8,152-8,158' (13); 8,180'-8,194' (29)

Bone Springs Perfs: 8,858-8,876' (19) 8,992-9,010' (19)

TD: 9,200'
PBTD 9,154'

5-1/2" @ 9,200' w/
1st Stage: 450 sx
2nd Stage: 430 sx

After

TOPS

Rustler	690'
TOS	750'
BOS	3,006'
Bell Cny	3,252'
Cherry Cny	4,990'
Brushy Cny	6,258'
Brushy Cny Mkr	6,810'
Bone Spring	7,060'

Not to Scale
12/3/08
MMFH