

District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-101  
Permit 105860

**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 37940		3. API Number 30- 005-64122
5. Property Name SHUFFLE BLS STATE COM		6. Well No. 001

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	16	10S	26E	C	660	N	1980	W	CHAVES

**8. Pool Information**

FOOR RANCH;PRE PERMIAN (GAS)	76730
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**Additional Well Information**

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3843
14 Multiple N	15. Proposed Depth 6550	16 Formation Silurian	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mls thick      Clay <input type="checkbox"/> Pit Volume.      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	600	400	0
Int1	11	8.625	24	1600	250	1000
Prod	7.875	5.5	15.5	6550	1325	0

**Casing/Cement Program: Additional Comments**

H2S is not anticipated.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Monti Sanders	Approved By: Jacqueta Reeves
Title:	Title: District Geologist
Email Address: montis@yatespetroleum.com	Approved Date: 12/15/2009      Expiration Date: 12/15/2011
Date: 11/25/2009      Phone: 575-748-4244	

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 105860

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30- <u>005-64122</u>	2. Pool Code 76730	3. Pool Name FOOR RANCH; PRE PERMIAN (GAS)
4. Property Code 37940	5. Property Name SHUFFLE BLS STATE COM	6. Well No. 001
7. OGRID No 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3843

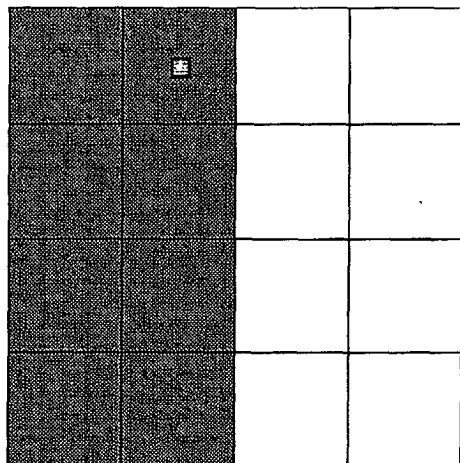
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	16	10S	26E		660	N	1980	W	CHAVES

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 320.00		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: Monti Sanders

Title:

Date: 11/25/2009

**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: 10/18/2009

Certificate Number: 7977

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** SHUFFLE BLS STATE COM #001

**API:**

Created By	Comment	Comment Date
MSANDERS	MUD PROGRAM: 0-600' Fresh Water Gel; 600'-1600' Fresh Water; 1600'-4300' Brine Water; 4300'-6550' Salt Water Gel/Starch	11/24/2009
MSANDERS	BOP PROGRAM: 2000# psi BOP nipples up on 11 3/4" casing	11/24/2009
MSANDERS	Drill out from surface casing with 7 7/8" hole to 1600'. If lost circulation is encountered, make decision to set cement plug or ream hole to 11" and set 8 5/8" intermediate casing.	11/24/2009
MSANDERS	If intermediate casing is not run, continue drilling 7 7/8" hole to TD where 5 1/2" casing will be set and cemented to surface.	11/24/2009
MSANDERS	CASING DESIGN FACTORS: Burst 1.0; Tensile 1.8; collapse 1.125.	11/24/2009
MSANDERS	C-144 for a Closed Loop System to follow by mail.	11/24/2009