

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  
**HOBBS OGD**  
Oil Conservation Division  
JUL 22 2011 1220 South St: Francis Dr.  
Santa Fe, NM 87505

Form C-101  
June 16, 2008

Submit to appropriate District Office

☐ AMENDED REPORT

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

|  |  |   |
|--|--|---|
| <sup>1</sup> Operator Name and Address<br>Yates Petroleum Corporation<br>105 South 4 <sup>th</sup> Street<br>Artesia, NM 88210 |  | <sup>2</sup> OGRID Number<br>025575       |
| <sup>3</sup> Property Code<br>37822  | <sup>5</sup> Property Name<br>Reba BNT State Com | <sup>3</sup> API Number<br>30 - 025-40242 |
| <sup>9</sup> Proposed Pool 1<br>Four Lakes, Mississippian  |  | <sup>10</sup> Proposed Pool 2             |

<sup>7</sup> Surface Location

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E            | 32      | 11S      | 35E   |         | 1980          | N                | 660           | W              | Lea    |

<sup>8</sup> 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

|  |   |  |  |   |
|--|---|--|--|---|
| <sup>11</sup> Work Type Code<br>New Well | <sup>12</sup> Well Type Code<br>Gas     | <sup>13</sup> Cable/Rotary                         | <sup>14</sup> Lease Type Code<br>State | <sup>15</sup> Ground Level Elevation<br>4155' |
| <sup>16</sup> Multiple<br>N              | <sup>17</sup> Proposed Depth<br>12,710' | <sup>18</sup> Formation<br>Mississippian Limestone | <sup>19</sup> Contractor               | <sup>20</sup> Spud Date<br>ASAP               |

<sup>21</sup> Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17.5      | 13.375      | 48                 | 400           | 400             | 0             |
| 12.25     | 9.625       | 40                 | 4200          | 1500            | 0             |
| 8.75      | 5.5         | 17                 | 12710         | 1650            | 3700          |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

<sup>22</sup> 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 proposes to drill and test the Mississippian/Intermediate formations. Approximately 400' of surface casing will be set/cement. Approximately 4200' of intermediate casing will be set/cement circulated. If commercial, production casing will be ran and cemented, perforated, and stimulated as needed for production.

BOPE PROGRAM: A 5000# Double Ram BOPE will be installed on the 9 5/8" casing and tested daily for operational.

MUD PROGRAM: 0-400' FW/Spud Mud; 400'-2020' FW; 2020'-4200' Red Bed Mud/Oil; 4200'-7600' Cut Brine, 7600'-10000' S Gel/Diesel, 10000'-10600' SW/Starch; 10600'-11550' S Gel Starch, 11550'-TD SW/Starch 4% KCL.

H2S is not anticipated.

C-102 Attached

A Closed Loop System will be used, C-144 Attached

Previously Approved

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Monti Sanders*

Printed name:  
Monti Sanders

Title:  
Land Regulatory Technician

E-mail Address  
montis@yatespetroleum.com

Date  
7/21/11

Phone:  
575-748-4244

OIL CONSERVATION DIVISION

Approved by

*[Signature]*  
Title: PETROLEUM ENGINEER

Approval Date  
AUG 22 2011

Expiration Date

Conditions of Approval Attached ☐

AUG 24 2011

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**HOBBS OCD**  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505  
**JUL 22 2011**

Form C-102  
Revised July 16, 2010  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

**RECEIVED**  
WELL LOCATION AND ACREAGE DEDICATION PLAT

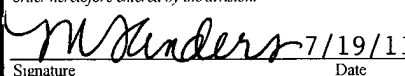
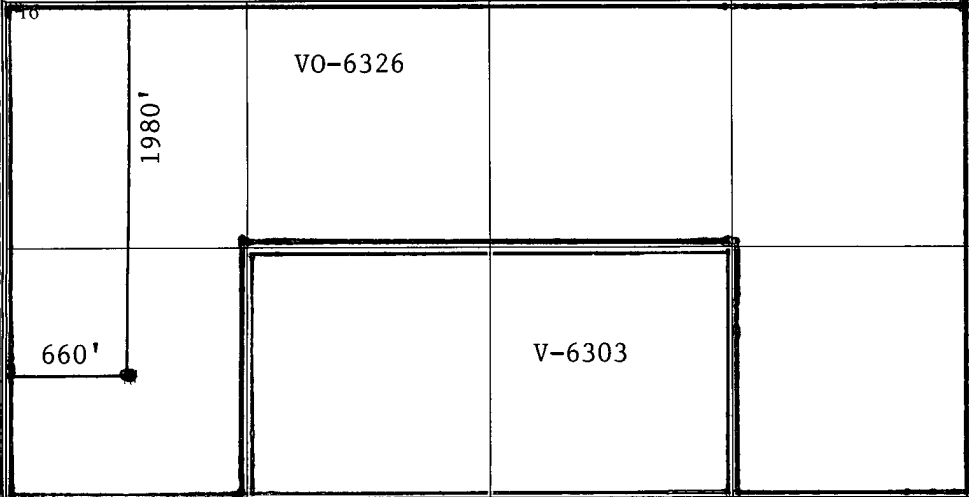
|                                  |  |   |  |   |                                 |
|----------------------------------|--|---|--|---|---------------------------------|
| <sup>1</sup> API Number          |  | <sup>2</sup> Pool Code<br>97053                           |  | <sup>3</sup> Pool Name<br>Four Lakes; Mississippian |                                 |
| <sup>4</sup> Property Code       |  | <sup>5</sup> Property Name<br>Reba BNT State .Com         |  |   | <sup>6</sup> Well Number<br>3   |
| <sup>7</sup> OGRID No.<br>025575 |  | <sup>8</sup> Operator Name<br>Yates Petroleum Corporation |  |   | <sup>9</sup> Elevation<br>4155' |

|                                |               |                 |              |         |                        |                       |                       |                     |               |
|--------------------------------|---------------|-----------------|--------------|---------|------------------------|-----------------------|-----------------------|---------------------|---------------|
| <sup>10</sup> Surface Location |               |                 |              |         |                        |                       |                       |                     |               |
| UL or lot no.<br>E             | Section<br>32 | Township<br>11S | Range<br>35E | Lot Idn | Feet from the<br>1980' | North/South line<br>N | Feet from the<br>660' | East/West line<br>W | County<br>Lea |

|  |         |          |       |         |               |                  |               |                |        |
|--|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| <sup>11</sup> 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 |

|  |                               |                                  |                         |
|--|-------------------------------|----------------------------------|-------------------------|
| <sup>12</sup> Dedicated Acres<br>320 N/2 | <sup>13</sup> Joint or Infill | <sup>14</sup> Consolidation Code | <sup>15</sup> 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.

|  |  |  |  |   |  |
|--|--|--|--|---|--|
| <sup>16</sup>  |  |  |  | <sup>17</sup> OPERATOR CERTIFICATION<br><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><br><br>Signature _____ Date 7/19/11<br>Monti Sanders<br>Printed Name<br>montis@yatespetroleum.com<br>E-mail Address |  |
|  |  |  |  | <sup>18</sup> SURVEYOR CERTIFICATION<br><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><br>Date of Survey _____<br>Signature and Seal of Professional Surveyor _____<br><b>REFER TO ORIGINAL PLAT</b><br>Certificate Number _____   |  |

DIST. CT I  
1825 N. Ranch Dr., Hobbs, NM 88240

DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

HOBBS OCD

Revised March 17, 1998  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

JUL 22 2011

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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

|                            |  |  |
|----------------------------|--|--|
| API Number<br>30-025-37883 | Pool Code<br>97053                           | Pool Name<br>Four Lakes; Mississippian (Gas) |
| Property Code<br>33254     | Property Name<br>REBA STATE UNIT             | Well Number<br>3                             |
| OGMD No.<br>025575         | Operator Name<br>YATES PETROLEUM CORPORATION | Elevation<br>4155                            |

### Surface Location

| UL or lot No. | Section | Township | Range | Lot 14n | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E             | 32      | 11S      | 35E   |         | 1980          | NORTH            | 660           | WEST           | LEA    |

### Bottom Hole Location If Different From Surface

| UL or lot No.              | Section | Township        | Range              | Lot 14n | Feet from the | North/South line | Feet from the | East/West line | County |
|----------------------------|---------|-----------------|--------------------|---------|---------------|------------------|---------------|----------------|--------|
|                            |         |                 |                    |         |               |                  |               |                |        |
| Dedicated Acres<br>320 N/2 |         | Joint or Infill | Consolidation Code |         | 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

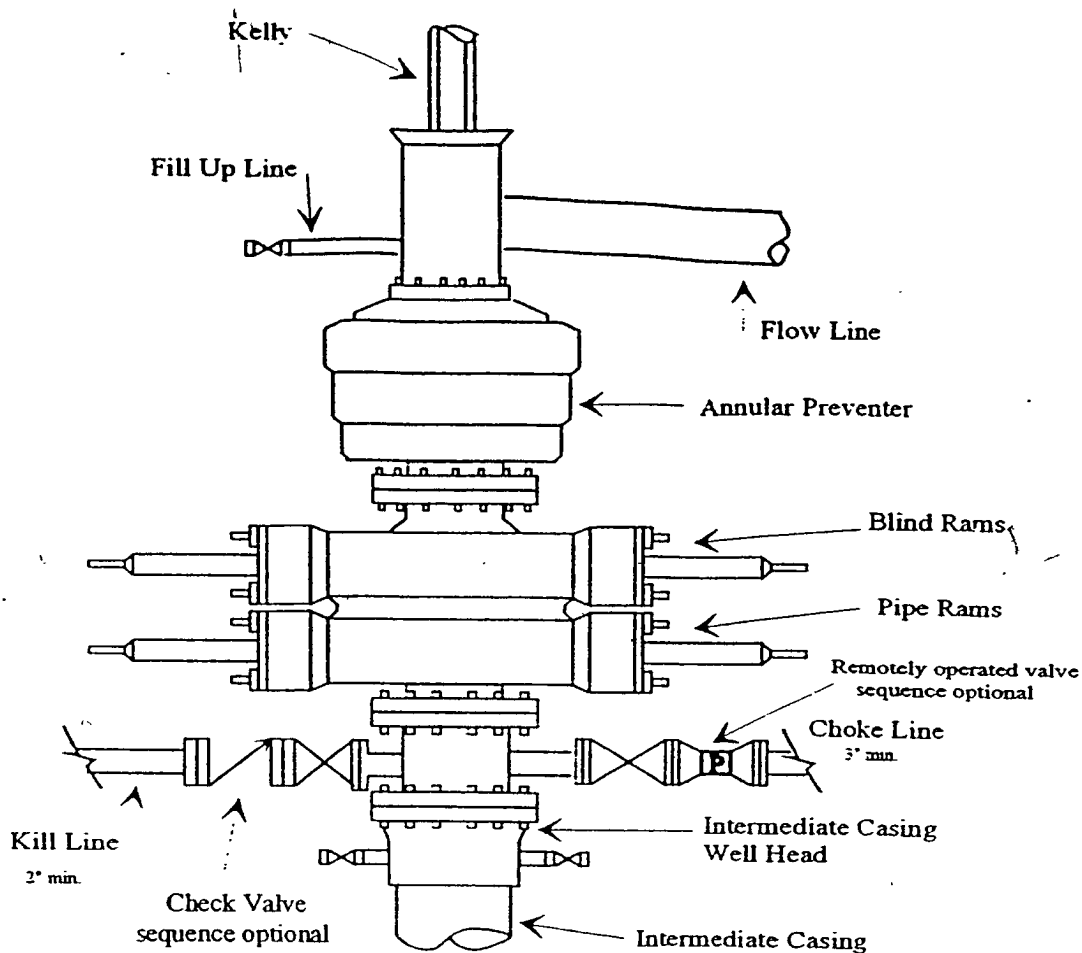
|   |  |  |  |  |  |
|---|--|--|--|--|--|
|   |  |  |  | <b>OPERATOR CERTIFICATION</b><br><br>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.<br><br><br>Signature<br>Clifton R. May<br>Printed Name<br>Regulatory Agent<br>Title<br>April 16, 2008<br>Date |  |
| <b>SURVEYOR CERTIFICATION</b><br><br>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.<br><br>5/17/2004<br>Date Surveyed<br><br>Signature<br>Professional Surveyor<br>Certificate No. H. G. Jones RLS 3640<br>REBA<br>GENERAL SURVEYING COMPANY |  |  |  |  |  |



# Yates Petroleum Corporation

BOP-4

## Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features

