

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

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 30-015-34954
4. Property Code 35757	5. Property Name IVEY BFV	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
P	4	19S	26E	P	660	S	850	E	EDDY

8. Pool Information

WC: MISSISSIPPIAN GAS	97338
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3345
14. Multiple N	15. Proposed Depth 9650	16. Formation Chester	17. Contractor	18. Spud Date
Depth to Ground water 99		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic ☒ 12 _____ miles thick Clay ☐ Pit Volume: 24000 _____ bbls Drilling Method: Closed Loop System ☐ Fresh Water ☐ Brine ☐ Diesel/Oil-based ☒ Gas/Air ☐				

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	850	450	0
Int1	12.25	9.625	36	1500	675	0
Prod	8.75	5.5	15.5	9650	2600	700

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Wildcat Mississippian and intermediate formations. Approximately 850' of surface casing will be set/cemented to shut off gravel and cavings. If commercial, production casing will be run/cemented; will perforate/stimulate as needed for production.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	5000	5000	

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 ☐ .	OIL CONSERVATION DIVISION
	Approved By: Bryan Arrant
Printed Name: Electronically filed by dusty bean	Title: Geologist
Title: Regulatory Tech	Approved Date: 6/19/2006 Expiration Date: 6/19/2007
Email Address: dustyb@ypcnm.com	
Date: 6/2/2006 Phone: 505-748-4364	Conditions of Approval Attached

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

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

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102
 Permit 28116

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34954	2. Pool Code 97338	3. Pool Name WC: MISSISSIPPIAN GAS
4. Property Code 35757	5. Property Name IVEY BFV	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3345

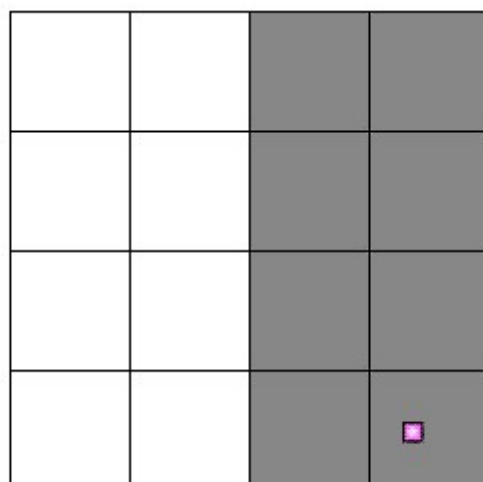
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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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 318.07		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: dusty bean
 Title: Regulatory Tech
 Date: 6/2/2006

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: Herschel Jones
 Date of Survey: 2/2/2005
 Certificate Number: 3640

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: IVEY BFV #001

API: 30-015-34954

Created By	Comment	Comment Date
DCAFFALL	Sources at YPC have relayed information to me that they believe there will not be enough H2S found from the surface to the Chester formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.	5/8/2006
DCAFFALL	MUD PROGRAM: 0-550' FW Gel/Spud Mud; 550' – 1500' FW; 1500' - 8300' Cut Brine; 8300'– TD Salt Gel/Starch.	5/8/2006
DCAFFALL	Mud Program correction: 0-850 FW Gel/Spud Mud; 850'-1500 FW;	6/2/2006

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575

Well: IVEY BFV #001

API: 30-015-34954

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted,operator to drill surface and intermediate hole with fresh water mud.
BArrant	Please notify OCD time of spud and time to witness the cementing of the surface and intermediate casing.