# State of New Mexico

#### Form C-101 Permit 111211

# 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 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	erator Name and Address ROLEUM CORPORATION	OGRID Number     25575		
	105 S 4TH ST TESIA , NM 88210	3. API Number 30-025-39717		
4. Property Code 38003	5. Property Name RED RAIDER BKS STATE	6. Well No. 003H		

### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	25	24S	33E	P	330	S	390	E	LEA

# 8. Pool Information

RED HILLS:BONE SPRING, NORTH	06/12/
RED HILLS, BOINE SPRING, NORTH	90434

### Additional Well Information

	901		Traditional II CH Intoll	III III III III III III III III III II	
9. Work Type New Well	10. Wet Ol	100000	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3509
14. Multiple N	26.500	osed Depth 823	16. Formation Bone Spring	17. Contractor	18. Spud Date 3/31/2010
Depth to Ground	water		Distance from nearest fresh wat	ter well	Distance to nearest surface water
Liner: Synthetic Closed Loop Syste	m 「	mils thick Cl	ay Pit Volume: bb	ols Drilling Method: Fresh Water X Brine D	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	1200	900	0
Int1	12.25	9.625	40	4300	1425	0
Prod	7.875	5.5	17	13823	2350	3800

# Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Γ	Type	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	3000	

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	OIL CONSERVATION DIVISION			
NMOCD guidelines a general permit or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronically filed by Monti Sanders	Title: Geologist			
Title:	Approved Date: 3/23/2010	Expiration Date: 3/23/2012		
Email Address: montis@yatespetroleum.com				
Date: 3/19/2010 Phone: 575-748-4244				

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

# State of New Mexico

Form C-102 Permit 111211

# Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

LLL LOCATION AND ACI	CAGE DEDICATION	LAI	
2. Pool Code	3.	Pool Name	
96434	RED HILLS;BONE SPRING, NORTH		
5. Property Name		6. Well No.	
RED RAIDER BKS STATE		003H	
8. Operati	or Name	9. Elevation	
YATES PETROLEUM CORPORATION		3509	
	2. Pool Code 96434 5. Proper RED RAIDER 8. Operate	96434 RED HILLS;BO  5. Property Name  RED RAIDER BKS STATE  8. Operator Name	

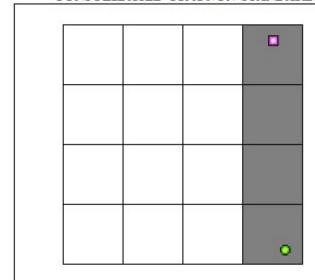
#### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	25	24S	33E	1,1	330	S	390	E	LEA

#### 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
A	25	24S	33E	A	330	N	660	E	LEA
7.5.00 VIII.	12. Dedicated Acres 160.00		oint 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: 3/19/2010

# 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: 3/18/2010 Certificate Number: 7977

# **Permit Comments**

Operator: YATES PETROLEUM CORPORATION , 25575 Well: RED RAIDER BKS STATE #003H

API: 30-025-39717

Created By	Comment	Comment Date
MSANDERS	Drill vertically to 8923'. Well will then be kicked off at 8923' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 9673'MD (9400' TVD). Hole size will then be reduced to 7 7/8" and drilled to 13823' MD (9400' TVD) where 5 1/2" casing will be set and cemented.	3/19/2010
MSANDERS	Penetration point of producing zone will be encountered at 807' FSL and 418' FEL, 25-24S- 33E. Deepest TVD in the well is 9400' in the lateral.	3/19/2010
MSANDERS	MAXIMUM ANTICIPATED BHP: 0-1200 574 psi; 1200-4300 2281 psi; 4300-9400 4399 psi. Depths are TVD.	3/19/2010
MSANDERS	MUD PROGRAM: 0-1200' Fresh Water; 1200'-4300' Brine Water; 4300'-8923' Cut Brine; 8923'-13823' Cut Brine (lateral).	3/19/2010
MSANDERS	PRESSURE CONTROL EQUIPMENT: 3000 psi system nippled up on 13 3/8" and 9 5/8" casing.	3/19/2010
MSANDERS	C-144 for a Closed Loop System and Directional Drilling Planner to follow by mail.	3/19/2010
DMULL	OCD Hobbs has received form C-144 "Pit Registration". OCD permit Number P1-01880.	3/23/2010