## State of New Mexico

#### Form C-101 Permit 121393

## 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

	rator Name and Address OLEUM CORPORATION	OGRID Number     25575	
105 S 4TH ST ARTESIA , NM 88210		3. API Number 30-025-39940	
4. Property Code 38344	5. Property Name OCTOBER ROAD BPX STATE	6. Well No. 001H	

### 7. Surface Location

8	UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
	P	6	218	34E	P	660	S	380	E	LEA

### 8. Pool Information

BERRY:BONE SPRING, NORTH	553
BERKI, BOINE STRING, NORTH	222

## Additional Well Information

9. Work Type	10. Wett Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation	
New Well	OIL		State	3720	
14. Multiple	15. Proposed Depth	16. Formation			
N	13870	Bone Spring			
Depth to Ground	water	Distance from nearest fre	esh water well	Distance to nearest surface water	
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X 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	550	570	0
Int1	12.25	9.625	40	5725	2200	0
Prod	8.75	5.5	17	13870	2250	5200

## Casing/Cement Program: Additional Comments

H2S is not anticipated for this well.

Proposed Blowout Prevention Program

				(2)
	Type	Working Pressure	Test Pressure	Manufacturer
1	DoubleRam	3000	3000	

of my knowledge and belief.	n given above is true and complete to the best g pit will be constructed according to	OIL CONSERVATION DIVISION			
	al permit , or an (attached) alternative	Approved By: Paul Kautz			
Printed Name: Electronically	y filed by Monti Sanders	Title: Geologist			
Title:		Approved Date: 10/19/2010	Expiration Date: 10/19/2012		
Email Address: montis@ya	tespetroleum.com				
Date: 10/7/2010	Phone: 575-748-4244	Conditions of Approval Attac	ched		

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

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

Permit 121393

Form C-102

# Energy, Minerals and Natural Resources

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

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3.	Pool Name	
30-025-39940			E SPRING, NORTH	
4. Property Code	5. Property Name		6. Well No.	
38344	OCTOBER ROAD BPX STATE		001H	
7. OGRID No.	8. Operator Name		9. Elevation	
25575	YATES PETROLEUM CORPORATION 3720			

#### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	6	218	34E	A. Inc. of the second	660	S	380	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
M	6	21S	34E	18	660	S	330	W	LEA
V. 121 10 10 10 10 10 10 10 10 10 10 10 10 10	cated Acres	13. J	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: 10/7/2010

### 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: 9/28/2010 Certificate Number: 7977

# **Permit Comments**

Operator: YATES PETROLEUM CORPORATION , 25575 Well: OCTOBER ROAD BPX STATE #001H

API: 30-025-39940

Created By	Comment	Comment Date
MSANDERS	Pilot hole drilled vertically to 10,150'. Well will be plugged back with a 600' kick off plug, then kicked off at approximately 9,083' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 9,900' MD (9,560' TVD). If hole conditions dictate, 7" casing will be set and cemented.	10/7/2010
MSANDERS	A 6 1/8" hole will then be drilled to 13,870' MD (9,580' TVD) and 4 1/2" will be set and oemented. If 7" is not set then hole will be reduced to 8 1/2" and drilled to 13,870' MD (9,580' TVD) where 5 1/2" will be set and oemented.	10/7/2010
MSANDERS	Penetration point of the producing zone will be encountered at 660' FSL and 857' FEL, Section 6, 21S-34E. Deepest TVD in the well will be 10,150' in the pilot hole. Deepest TVD in the lateral will be 9,560'.	10/7/2010
MSANDERS	MUD PROGRAM: 0-550' Fresh Water; 550'-5725' Brine Water; 5725'-10150' Cut Brine; 9083'- 13870' Cut Brine (lateral). PRESSURE CONTROL EQUIPMENT: 3000# psi system nippled up on 13 3/8" and 9 5/8" casing.	10/7/2010
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-02585.	10/18/2010

# Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575 Well: OCTOBER ROAD BPX STATE #001H

API: 30-025-39940

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string