

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011
Permit 133862

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 30-025-40220
4. Property Code 38740	5. Property Name WARRIOR BRW STATE	6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	28	23S	35E	D	330	N	660	W	LEA

8. Pool Information

WILDCAT;BONE SPRING	96403
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable Rotary	12. Lease Type State	13. Ground Level Elevation 3364
14. Multiple N	15. Proposed Depth 13810	16. Formation Bone Spring	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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	870	610	0
Int2	12.25	9.625	40	5300	360	0
Prod	8.75	5.5	36	3300	1387	0
Prod	8.5	5.5	20	13810	610	0

Casing/Cement Program: Additional Comments

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Proposed Blowout Prevention Program

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 NMOCD guidelines <input type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Monti Sanders	Approved By: Paul Kautz	
Title:	Title: Geologist	
Email Address: montis@yatespetroleum.com	Approved Date: 8/8/2011	Expiration Date: 8/8/2013
Date: 8/4/2011	Phone: 575-748-4244	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 133862

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-40220	2. Pool Code 96403	3. Pool Name WILDCAT;BONE SPRING
4. Property Code 38740	5. Property Name WARRIOR BRW STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3364







10. Surface Location

UL - Lot D	Section 28	Township 23S	Range 35E	Lot Idn	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

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UL - Lot A	Section 28	Township 23S	Range 35E	Lot Idn A	Feet From 330	N/S Line N	Feet From 660	E/W Line E	County LEA
12. Dedicated Acres 160.00		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

<table border="1" style="width: 100%; border-collapse: collapse; height: 150px;"> <tr> <td style="width: 25%; text-align: center; vertical-align: middle;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center; vertical-align: middle;"></td> </tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> </table>																	<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><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(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.</i></p> <p>E-Signed By: Monti Sanders Title: Date: 8/4/2011</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><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></p> <p>Surveyed By: Gary Jones Date of Survey: 3/11/2011 Certificate Number: 7977</p>
																	

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: WARRIOR BRW STATE #001H

API: 30-025-40220

Created By	Comment	Comment Date
clif	After setting 20" conductor at 40'; rig up rotary tools and drill 17 1/2" hole to 870'. Set 40# 13 3/8" casing and cement to surface. Pick up 12 1/4" bit and drill to 5300', or minimum 100' below the Base of the Salt. run 36# 9 5/8" casing to 3300' and 2000' 40# 9 5/8" to 5300' and cement to surface. Pick up 8 3/4" bit and drill to KOP at 8832' MD and pick up curve assembly and drill to landing at 9582' MD (9310' TVD). Pick up 8 1/2" bit and lateral assembly and drill to lateral TD at 13,810 MD (9310' TVD) on 90 degree inclination. Penetration point is 330' FNL & 1160' FWL. Rig up and r	8/4/2011
clif	MUD PROGRAM: 0'-870' Fresh Water; 870'-5,300' Brine Water; 5,300'-13,810' Cut Brine.	8/4/2011
clif	C-144 for a Closed Loop System, Contingency Casing Design Plan and Drilling Plan to follow by mail.	8/4/2011
MSANDERS	H2S is not anticipated for this well.	8/4/2011
pkautz	Land P/S	8/5/2011
DMULL	OCD Hobbs office has recieved for C-144CLEZ. OCD Permit Number P1-03569.	8/8/2011

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575

Well: WARRIOR BRW STATE #001H

API: 30-025-40220

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