

**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 150941

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

1. Operator Name and Address <b>YATES PETROLEUM CORPORATION</b> 105 S 4TH ST ARTESIA, NM 88210		2. OGRID Number 25575
		3. API Number 30-025-40649
4. Property Code 39302	5. Property Name BOHEMIAN BSO STATE COM	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
M	36	16S	32E	M	330	S	480	W	LEA

**8. Pool Information**

WC-025 G-01 S163236M;QUEEN	97952
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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 4260
14. Multiple N	15. Proposed Depth 8475	16. Formation Queen	17. Contractor	18. Spud Date 7/1/2012
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	1350	1000	0
Int1	12.25	9.625	40	3200	955	0
Prod	8.5	5.5	17	8475	280	3000
Prod	8.75	5.5	17	3700	200	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"/> .	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by LORI FLORES	Approved By: Paul Kautz
Title: Land Regulatory Technician	Title: Geologist
Email Address: lorif@yatespetroleum.com	Approved Date: 6/27/2012   Expiration Date: 6/27/2014
Date: 6/27/2012   Phone: 575-748-4448	Conditions of Approval Attached

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

Form C-102  
August 1, 2011  
Permit 150941

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-40649	2. Pool Code 97952	3. Pool Name WC-025 G-01 S163236M;QUEEN
4. Property Code 39302	5. Property Name BOHEMIAN BSO STATE COM	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 4260

**10. Surface Location**

UL - Lot M	Section 36	Township 16S	Range 32E	Lot Idn	Feet From 330	N/S Line S	Feet From 480	E/W Line W	County LEA
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location If Different From Surface									
UL - Lot P	Section 36	Township 16S	Range 32E	Lot Idn P	Feet From 330	N/S Line S	Feet From 330	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%; height: 150px; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr style="background-color: #cccccc;"><td style="height: 40px; text-align: center; vertical-align: middle;">●</td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px; text-align: center; vertical-align: middle;">■</td></tr> </table>													●			■	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></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: LORI FLORES Title: Land Regulatory Technician Date: 6/27/2012</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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: 6/19/2012 Certificate Number: 7977</p>
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## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BOHEMIAN BSO STATE COM #001

**API:** 30-025-40649

Created By	Comment	Comment Date
THAHN	C-102, C-144, horizontal drilling plan, and H2S plan to follow in hard copy form.	6/27/2012
THAHN	Maximum anticipated BHP (Depths are TVD), 0'-1350' is 646 PSI, 1350'-3500' is 1856 PSI, and 3500'-4210' is 2014 PSI.	6/27/2012
THAHN	H2S is anticipated.	6/27/2012
THAHN	Hole drilled vertically to 3733', well will then be kicked off at approximately 3733' and directionally drilled at 12 degrees per 100' with a 8.75" hole to 4483' MD (4210' TVD). Hole size will then be reduced to 8.5" and drilled to 8475' MD (4210' TVD) where 5.5" casing will be set. Production string will be cemented 500' into the intermediate casing at approximately 3000' and a packers and ports system will be utilized in the lateral in 26 stages. A hydraulic DV tool will be placed at approximately 4440'. Penetration point of the producing zone will be encountered at 332' FSL and 957' FWL	6/27/2012
pkautz	Land s/S	6/27/2012
CHERRERA	OCD RECEIVED FORM C144 CLEZ. OCD PERMIT # P1-04843	6/27/2012



# Permit Conditions of Approval

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BOHEMIAN BSO STATE COM #001

**API:** 30-025-40649

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