

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8181 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 176746

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
4. Property Code 16871		3. API Number 30-015-41786
5. Property Name CUTTER APC		6. Well No. 002H

7. Surface Location

UL - Lot M	Section 21	Township 19S	Range 25E	Lot Idn	Feet From 551	N/S Line S	Feet From 95	E/W Line W	County Eddy
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8. Proposed Bottom Hole Location

UL - Lot P	Section 21	Township 19S	Range 25E	Lot Idn P	Feet From 400	N/S Line S	Feet From 330	E/W Line E	County Eddy
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9. Pool Information

N. SEVEN RIVERS; GLORIETA-YESO	97565
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3515
16. Multiple N	17. Proposed Depth 7205	18. Formation Yeso Formation	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☐ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	9.625	36	750	580	0
Prod	8.5	5.5	17	7205	1240	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by LORI FLORES	Approved By: Randy Dade
Title: Land Regulatory Technician	Title: District Supervisor
Email Address: lorif@yatespetroleum.com	Approved Date: 11/12/2013 Expiration Date: 11/12/2015
Date: 11/8/2013 Phone: 575-748-4448	Conditions of Approval Attached

Surveyed By: Gary Jones
Date of Survey: 10/17/2013
Certificate Number: 7977

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Form APD Comments

Permit 176746

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-015-41786
	Well: CUTTER APC #002H

Created By	Comment	Comment Date
THAHN	C-102, drilling plan, and H2S plan to follow by mail.	11/8/2013
THAHN	Samples: 10' from 750' to TD.	11/8/2013
THAHN	Bottom Hole Pressure (Depths are TVD): 0'-750' is 339 PSI, 750'-2600' is 1176 PSI	11/8/2013
THAHN	Well will be drilled vertically to 2055', and then be kicked off and drilled at 10 degrees per 100' with a 8.75" hole to 2797' MD (2532' TVD). Hole size will then be reduced 8.5" and drilled to 7205' MD (2600' TVD) where 5.5" casing will be set and cemented to the surface. Penetration point of the production zone will be encountered at 535' FSL & 565' FWL in Section 21, T19S-R25E. Deepest TVD is 2600' in the lateral.	11/8/2013
CSHAPARD	Land p/P	11/12/2013
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Form APD Conditions
Permit 176746

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-41786
		Well: CUTTER APC #002H

OCD Reviewer	Condition
CSHAPARD	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