

**District I**

1625 N. French Dr., Hobbs, NM 88240  
 Phone:(575) 393-8161 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 177188

**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 30-015-41804
4. Property Code 40227	5. Property Name Roy AET State Com	6. Well No. 010H

**7. Surface Location**

UL - Lot E	Section 16	Township 19S	Range 25E	Lot Idn	Feet From 1940	N/S Line N	Feet From 100	E/W Line W	County Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot E	Section 17	Township 19S	Range 25E	Lot Idn E	Feet From 2310	N/S Line N	Feet From 330	E/W Line W	County Eddy
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**9. Pool Information**

North Seven Rivers; Glorieta-Yeso	0
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3516
16. Multiple N	17. Proposed Depth 7392	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	800	615	0
Prod	8.75	5.5	17	2772	930	0
Prod	8.5	5.5	17	7392	340	2772

**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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.	<b>OIL CONSERVATION DIVISION</b>	
Signature:		
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: 11/19/2013	Expiration Date: 11/19/2015
Date: 11/15/2013	Phone: 575-748-4448	Conditions of Approval Attached

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**Santa Fe, NM 87505**

Form C-102  
 August 1, 2011  
 Permit 177188

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-41804	2. Pool Code	3. Pool Name North Seven Rivers; Glorieta-Yeso
4. Property Code 40227	5. Property Name Roy AET State Com	6. Well No. 010H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3516

**10. Surface Location**

UL - Lot E	Section 16	Township 19S	Range 25E	Lot Idn	Feet From 1940	N/S Line N	Feet From 100	E/W Line W	County Eddy
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**11. Bottom Hole Location If Different From Surface**

UL - Lot E	Section 17	Township 19S	Range 25E	Lot Idn	Feet From 2310	N/S Line N	Feet From 330	E/W Line W	County Eddy
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**

<div style="border: 1px solid black; width: 100%; height: 100%; position: relative;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%); font-size: 2em; color: red;">■</div> </div>	<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:                11/15/2013</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:    10/9/2013        Certificate Number: 7977</p>
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Form APD Comments

Permit 177188

**PERMIT COMMENTS**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-015-41804
	Well: Roy AET State Com #010H

Created By	Comment	Comment Date
THAHN	C-102, drilling plan, and H2S plan to follow.	11/15/2013
THAHN	Samples: 10' Samples 800'-TD	11/15/2013
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-800' is 362 PSI 800'-2490' is 1126 PSI	11/15/2013
THAHN	Well will be drilled vertically to 2013'. Well will then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 2772' MD (2490' TVD). Hole size will then be reduced to 8.5" and drilled to 7392' MD (2400' TVD) where 5.5" casing will be set and cemented. Production string will be cemented to surface. Penetration point of producing zone will be encountered at 1972' FNL and 386' FEL, 17-19S-25E. Deepest TVD in the well is 2490' in the lateral hole.	11/15/2013
CSHAPARD	Land s/S	11/18/2013

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Form APD Conditions

Permit 177188

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-41804
		Well: Roy AET State Com #010H

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