

**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) 334-8178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3482

**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 194749

**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 30-015-42781
4. Property Code 35700	5. Property Name POKER BIX	6. Well No. 002

**7. Surface Location**

UL - Lot C	Section 23	Township 24S	Range 31E	Lot Idn	Feet From 330	N/S Line N	Feet From 2310	E/W Line W	County Eddy
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**8. Proposed Bottom Hole Location**

UL - Lot C	Section 23	Township 24S	Range 31E	Lot Idn C	Feet From 330	N/S Line N	Feet From 2310	E/W Line W	County Eddy
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**9. Pool Information**

COTTON DRAW; BONE SPRING, SOUTH	96546
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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 3565
16. Multiple N	17. Proposed Depth 8500	18. Formation Bone Spring	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	17.5	13.375	48	700	550	0
Int1	11	8.625	32	4450	1200	0
Prod	7.875	5.5	15.5	8500	850	3950

**Casing/Cement Program: Additional Comments**

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**22. Proposed Blowout Prevention Program**

Type Double Ram	Working Pressure 3000	Test Pressure 3000	Manufacturer
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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.  Signature: _____ Printed Name: Electronically filed by Travis Hahn Title: Land Regulatory Agent Email Address: thahn@yatespetroleum.com Date: 11/4/2014	<b>OIL CONSERVATION DIVISION</b>  Approved By: Randy Dade Title: District Supervisor Approved Date: 11/5/2014 Expiration Date: 11/5/2016 Conditions of Approval Attached
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**Santa Fe, NM 87505**

Form C-102  
August 1, 2011  
Permit 194749

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-42781	2. Pool Code 96546	3. Pool Name COTTON DRAW; BONE SPRING, SOUTH
4. Property Code 35700	5. Property Name POKER BIX	6. Well No. 002
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3565

**10. Surface Location**

UL - Lot C	Section 23	Township 24S	Range 31E	Lot Idn	Feet From 330	N/S Line N	Feet From 2310	E/W Line W	County Eddy
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**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
12. Dedicated Acres 40.00	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;"> <tr><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px; background-color: #cccccc; text-align: center; color: red;">■</td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></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:           Travis Hahn Title:                   Land Regulatory Agent Date:                   11/4/2014</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:           Herschell Jones Date of Survey:       11/30/2006 Certificate Number:   3640</p>
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**Santa Fe, NM 87505**

Form APD Comments

Permit 194749

**PERMIT COMMENTS**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-015-42781
	Well: POKER BIX #002

Created By	Comment	Comment Date
Ynavarrette	C-102 will follow by mail.	10/29/2014
Ynavarrette	Yates Petroleum Corporation proposes to drill and test the Bone Springs/intermediate formations. Approximately 700' oto surface casing will be set and cement circulated. Intermediate casing will be set at 4450', cement circulated to surface. If commercial, production casing will be ran and cemented, perforated and stimulated as needed to gain production.	10/29/2014
THAHN	H2S is not anticipated.	11/4/2014
CSHAPARD	Land s/S	11/5/2014

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Form APD Conditions

Permit 194749

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-42781
		Well: POKER BIX #002
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	