

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 Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
Revised December 16, 2011

Oil Conservation Division

Permit

1220 South St. Francis Dr.

Santa Fe, NM 87505

RECEIVED

MAY 30 2012

NMOCB-ARTESIA

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-40393
⁴ Property Code 37773	⁵ Property Name Junior AWW State Com	⁶ Well No 3H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
P	17	16S	28E		660	S	200	E	Eddy

⁸ Pool Information

Wolcamp CROW FLATS; WOLFCAMP	97102
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type Oil	¹¹ Cable/Rotary R	¹² Lease Type S	¹³ Ground Level Elevation 3592'
¹⁴ Multiple N	¹⁵ Proposed Depth 6740' TVD 11,109' MD	¹⁶ Formation Wolcamp	¹⁷ Contractor	¹⁸ Spud Date ASAP
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 Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17 5"	13.375"	48#	400'	425	0
Int1	11"	8 625"	24#	1900'	550	0
Prod	7 875"	5 50"	17#	11,109'	1900	1400'

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Wolcamp and intermediate formations. A vertical hole will be drilled and 8 5/8" casing will be set at 1900' and cemented to surface will continue to drill a 7 7/8" hole to a vertical depth of 6740'. At this point the well will be plugged back and kicked off at approximately 6086' and drilled at 12 degrees per 100' until horizontal. The lateral will then be drilled to a TVD of 6536' with a measured depth of 11109' where 5 1/2" casing will be set and cemented back to approximately 1400'.

MUD PROGRAM 0-400' Fresh Water Gel, 400'-1900' Brine Water, 1900'-6740' Cut Brine, 6086'-11,109' Cut Brine (horizontal section)

H2S is not anticipated

C-144 Attached

C-102 Attached

Previously Approved

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature

Lori Flores

Printed name Lori Flores

Title: Land Regulatory Technician

E-mail Address lorif@yatespetroleum.com

Date: 5/30/2012

Phone 575-748-4448

OIL CONSERVATION DIVISION

Approved By

T.C. Shepard

Title

Geologist

Approved Date

6/12/2012

Expiration Date:

6/12/2014

Conditions of Approval Attached

1 YEAR EXTENSION
will not be approved.

DISTRICT I

1635 N. French Dr., Hobbs, NM 88240

DISTRICT II

1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-40393	Pool Code 97102	Pool Name CROW FLATS Wildcat Wolfcamp
Property Code 37773	Property Name JUNIOR "AWW" STATE COM	Well Number 3H
OGRIID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3592'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	17	16 S	28 E		660	SOUTH	200	EAST	EDDY

Bottom Hole Location If Different From Surface

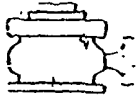
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	17	16 S	28 E		660	SOUTH	330	WEST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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

RECEIVED APR 22 2011 NMOCD ARTESIA		OPERATOR CERTIFICATION 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 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>Monti Sanders</i> 4/20/11 Signature Date Monti Sanders Printed Name	
BOTTOM HOLE LOCATION Lat - N32°55'01.48" Long - W104°12'19.02" SPC- N.: 697391.768 E.: 580630.939 (NAD-83)		SURFACE LOCATION Lat - N32°55'01.62" Long - W104°11'24.06" SPC- N.: 697411.409 E.: 585316.508 (NAD-83)	
Project Area		Producing Zone	
330' B.H. 560'		4886.8' 560'	
V-5604		SL 200'	
SURVEYOR CERTIFICATION 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. MARCH 13, 2008 Date Surveyed Signature & Seal Professional Surveyor <i>Gary L. Jones</i> Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS		7977	

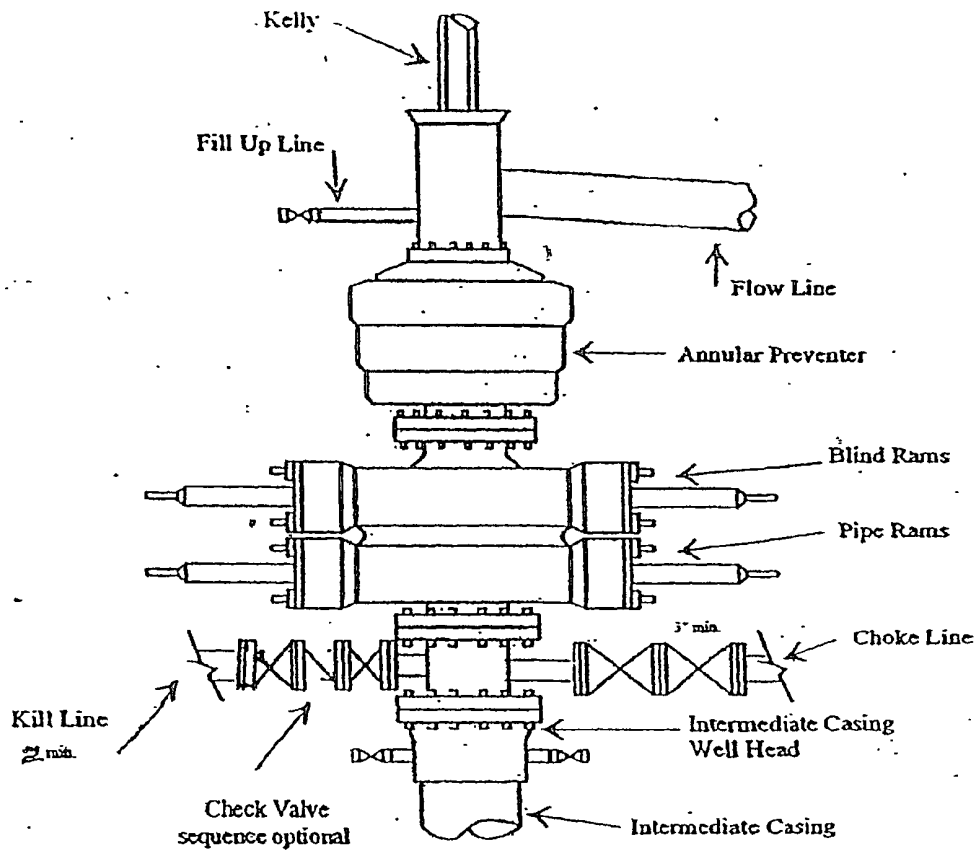
Penetration Point 660' FSL & 402' FEL



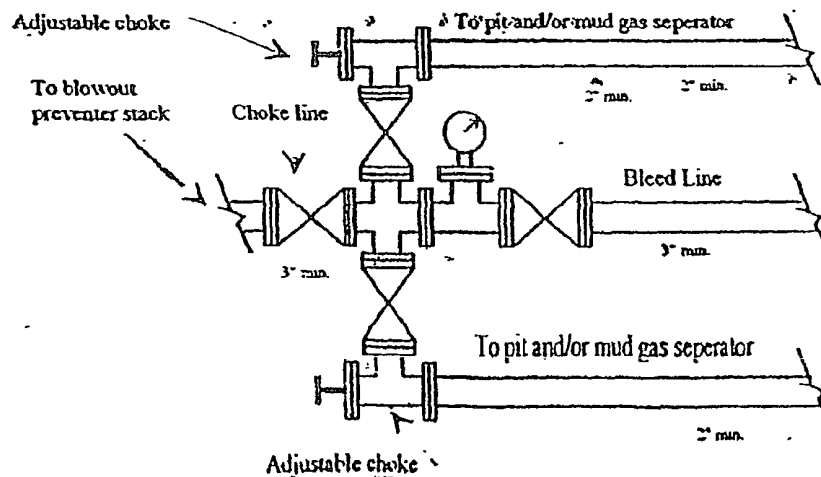
Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



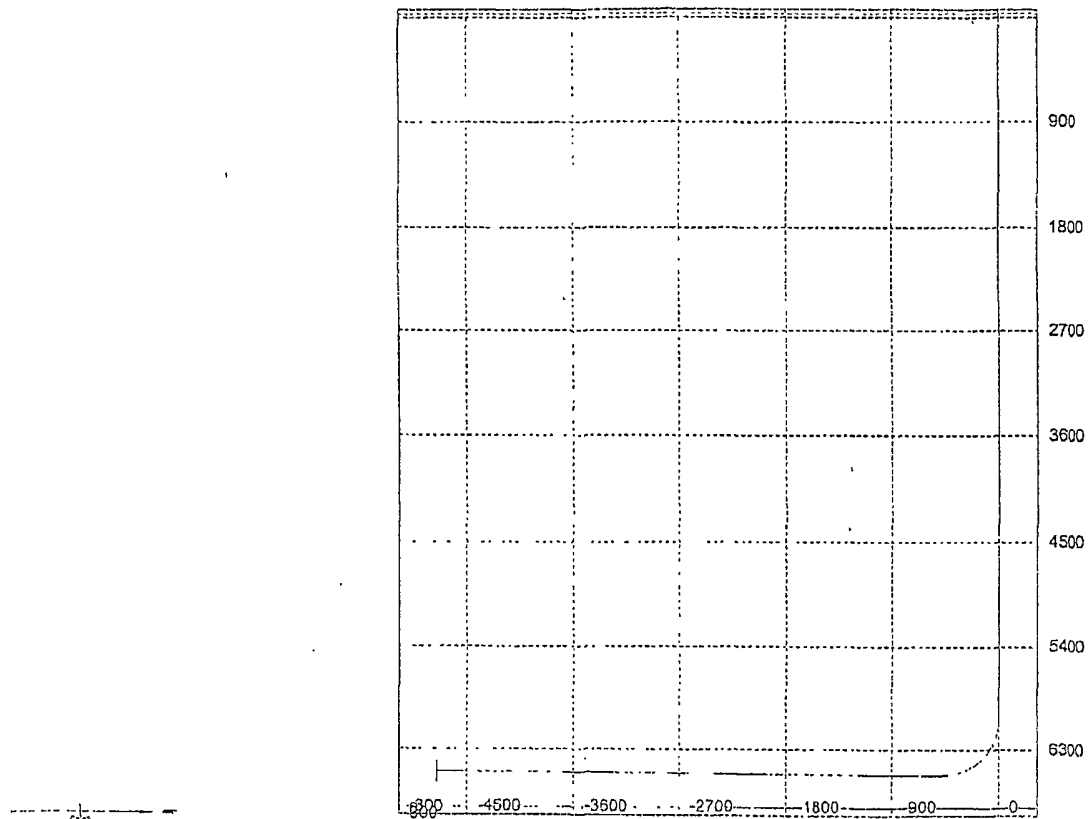
Typical 3,000 psi choke manifold assembly with at least these minimum features



Pilot hole will be drilled to 6740'. Well will then be plugged back and kicked off at approx 6086' at 12 degrees per 100' with a 7 7/8" hole to 11,109' MD
TVD of 6,536' at TD

3D^s Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation
Well: Junior AWW State Com. #3H



3D^s Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation
Well: Junior AWW State Com. #3H

