

District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-101  
Permit 66400

Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

JAN 30 2008  
OCD-ARTESIA

**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 30-015-36027
4. Property Code	5. Property Name BIG MIGUEL BKN STATE COM	6. Well No. 001H

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	2	16S	29E	P	785	S	150	W	EDDY

**8. Pool Information**

Wildcat Wolfcamp	0
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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 3721
14. Multiple N	15. Proposed Depth 11980	16. Formation Wolfcamp	17. Contractor	18. Spud Date 12/20/2007
Depth to Ground water 110		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 28000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	400	275	0
Int1	11	8.625	24	2600	750	0
Prod	7.875	5.5	17	11980	1650	2100
Int2	7.875	0	0	7600	0	0

**Casing/Cement Program: Additional Comments**

Please note 7 7/8" hole to 7600' is Open Hole. Yates Petroleum Corporation proposes to drill and test the Wolfcamp/intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off cavings. If commercial, intermediate and production casing will be run and cemented, will perforate and stimulate as needed for production.

**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 ☐ a general permit ☒ or an (attached) alternative OCD-approved plan ☐

Printed Name: Cy Cowan  
Title: Regulatory Agent  
Email Address: 1/30/08

**OIL CONSERVATION DIVISION**

Approved By: BRYAN G. ARRANT

Title: DISTRICT II GEOLOGIST

Approved Date: JAN 30 2008 Expiration Date: JAN 30 2010

## DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

## DISTRICT II

1361 W. Grand Avenue, Artesia, NM 88210

## DISTRICT III

1066 Rio Hondo Rd., Aztec, NM 87410

## DISTRICT IV

1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico  
Energy, Minerals and Natural Resources DepartmentOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505Form 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 30-015-66400	Pool Code	Pool Name Wildcat Wolfcamp
Property Code	Property Name BIG MIGUEL "BKN" STATE COM	Well Number 1H
OCRED No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3721'

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	2	16 S	29 E		785	SOUTH	150	WEST	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
P	2	16 S	29 E		330	SOUTH	330	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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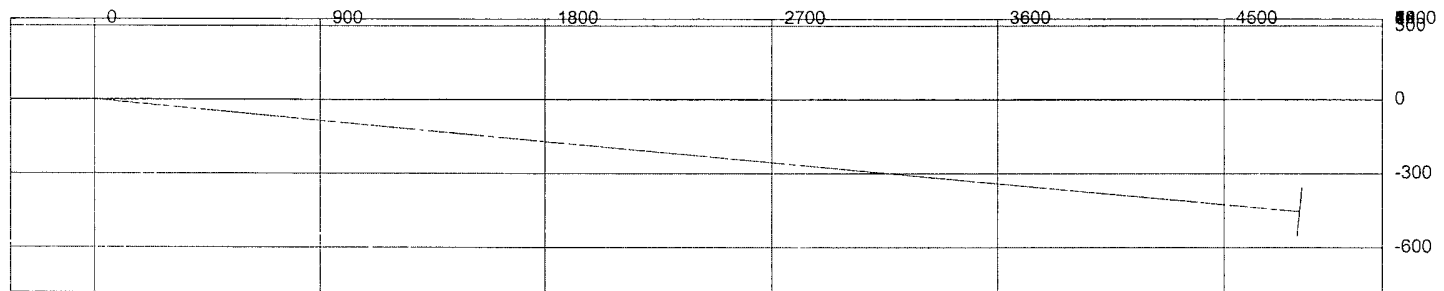
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>SURFACE LOCATION</b>          Lat - N33°56'44.26"          Long - W104°03'13.02"          SPC- N.: 707867.936          E.: 627144.879          (NAD-83)</p>		<p><b>BOTTOM HOLE LOCATION</b>          Lat - N32°56'39.60"          Long - W104°02'16.48"          SPC- N.: 707410.969          E.: 631964.208          (NAD-83)</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p>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.</p> <p><i>Cy Cowan</i>          Signature _____ Date _____</p> <p>Cy Cowan, Regulatory          Printed Name Agent</p>
<p><b>SURVEYOR CERTIFICATION</b></p> <p>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.</p> <p>DECEMBER 6, 2007</p> <p>Date Surveyed _____</p> <p>Signature of Professional Surveyor _____</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>		<p><b>Project Area</b></p> <p><b>Producing Area</b></p> <p>W.C. Penetration</p> <p>Point 1768's/330'W</p>		

M.D.	Inclination	Azimuth	T.V.D.	N/S	E/W	D.L.S.	ToolFace	T.F. Ref (HS/GN)	
0	0	0	0	0	0	0			
1012	0	0	1012	0	0	0			YATES
1231	0	0	1231	0	0	0			SEVEN RIVERS
1742	0	0	1742	0	0	0			QUEEN
2160	0	0	2160	0	0	0			GRAYBURG
2526	0	0	2526	0	0	0			SAN ANDRES
4032	0	0	4032	0	0	0			GLORIETA
5304	0	0	5304	0	0	0			TUBB
6020	0	0	6020	0	0	0			ABO
6938	0	0	6938	0	0	15	95	GN	KOP
6950	1 8	95.41	6950	-0.02	0 19	15	0	HS	
6975	5 55	95.41	6974.94	-0.17	1 78	15	360	HS	
7000	9 3	95.41	6999.73	-0.47	5	15	0	HS	
7025	13.05	95.41	7024.25	-0.93	9.82	15	360	HS	
7050	16.8	95.41	7048.4	-1.54	16 23	15	360	HS	
7075	20 55	95.41	7072.08	-2.29	24 2	15	360	HS	
7100	24.3	95.41	7095.19	-3.19	33.69	15	0	HS	
7125	28 05	95.41	7117.62	-4.23	44.67	15	360	HS	
7150	31.8	95.41	7139.28	-5.41	57 08	15	0	HS	
7175	35 55	95.41	7160.08	-6.72	70 88	15	360	HS	
7200	39 3	95.41	7179.93	-8.15	86	15	360	HS	
7225	43 05	95.41	7198.75	-9.71	102 38	15	0	HS	
7250	46.8	95.41	7216.45	-11.37	119 96	15	360	HS	
7275	50.55	95.41	7232.95	-13.14	138 64	15	0	HS	
7300	54.3	95.41	7248.19	-15.01	158.37	15	360	HS	
7325	58.05	95.41	7262.11	-16.97	179 04	15	360	HS	
7327	58.35	95.41	7263.16	-17.13	180.73	15	360	HS	Wolfcamp
7350	61 8	95.41	7274.63	-19.01	200.57	15	360	HS	
7375	65 55	95.41	7285.72	-21.13	222.87	15	360	HS	
7400	69 3	95.41	7295.31	-23.3	245.85	15	0	HS	
7425	73 05	95.41	7303.38	-25.54	269.4	15	360	HS	
7450	76 8	95.41	7309.88	-27.82	293.43	15	360	HS	
7475	80.55	95.41	7314.79	-30.13	317.83	15	360	HS	
7500	84 3	95.41	7318.08	-32.47	342.5	15	360	HS	
7525	88 05	95.41	7319.75	-34.82	367.33	15	0	HS	
7536.37	89 75	95.41	7319.97	-35.89	378.64	15	0	HS	
11977.58	89 75	95.41	7339	-455	4800	0			Lateral TD

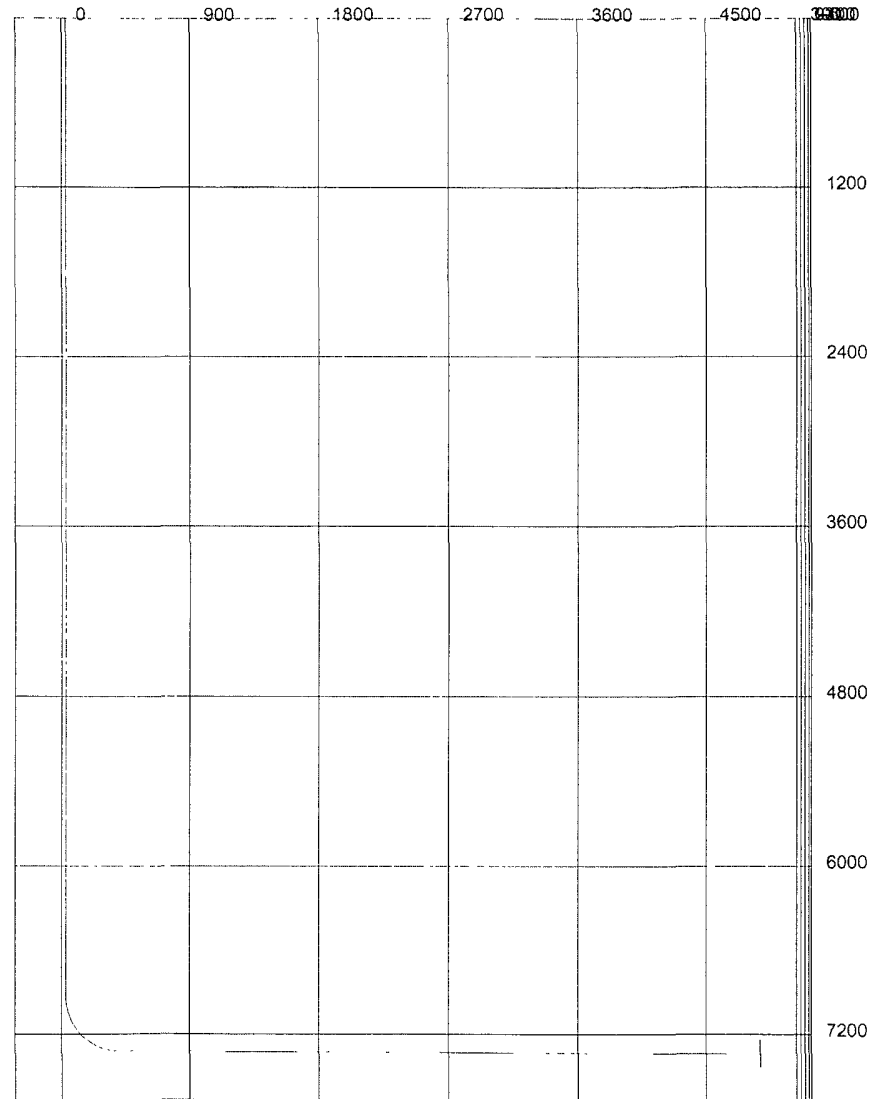
### 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: **Yates Petroleum Corporation**  
Well: **Big Miguel BKN State Com. #1H**



### 3D<sup>3</sup> Directional Drilling Planner - 3D View

Company: **Yates Petroleum Corporation**  
Well: **Big Miguel BKN State Com. #1H**



## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BIG MIGUEL BKN STATE COM #001H

**API:**

Created By	Comment	Comment Date
DCAFFALL	MUD PROGRAM: 0'-400' Fresh Water; 400'-2600' Brine Water; 2600'-7600' Cut Brine; 6940'-11980' (Lateral section) Cut Brine.	12/19/2007
DCAFFALL	Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be sufficient H2S found from the surface to the Wolfcamp formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.	12/19/2007
DCAFFALL	Pilot hole will be drilled to 7600'. Well will then be plugged back and kicked off at approximately 6940' at 15 degrees per 100' with an 7 7/8" hole to 11980' MD with a TVD of 7339' at TD.	12/19/2007
BArrant	APD submitted by hard copy. AP# 30-015-36027	1/9/2008

## Permit Conditions of Approval

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BIG MIGUEL BKN STATE COM #001H

**API:**

OCD Reviewer	Condition
BArrant	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
BArrant	As noted, operator to drill surface hole w/fresh water mud.
BArrant	Operator to set surface casing above the Salado.