

District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

SEP 30 2008
OCD-ARTESIA Form C-101
June 16, 2008

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575
³ Property Code 3743	⁵ Property Name Beginner BLB Federal Com	³ API Number 30 - 015 - 36683
⁹ Proposed Pool 1 at Wolfcamp		⁶ Well No 1H

⁷ Surface Location

UL or lot no A	Section 19	Township 16S	Range 28E	Lot Idn	Feet from the 1210	North/South line North	Feet from the 250	East/West line East	County Eddy
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no. D	Section 19	Township 16S	Range 28E	Lot Idn	Feet from the 360	North/South line North	Feet from the 330	East/West line West	County Eddy
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code State&Federal	¹⁵ Ground Level Elevation 3567
¹⁶ Multiple No	¹⁷ Proposed Depth TVD 6395' & MD 10993'	¹⁸ Formation Wolfcamp	¹⁹ Contractor Undetermined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	400'	425	Surface
11'	8 5/8"	24#	1750'	525	Surface
7 7/8"	5 1/2"	17#	10993' MD	1900'	TOC-1250'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposed to drill and test the Wolfcamp/Intermeditate formations. Approximately 400' of surface casing will be set and cement circulated to surface. Intermediate casing will be set at 1750' and cement circulated to surface. If the well is determined that it maybe commercial, production casing will be ran to TD and cemented back to approximately 1250', perforated and stimulated as needed to gain production.

MUD PROGRAM 0 to 400' w/Fresh Water Gel; 400' to 1750' w/Brine Water; 1750' to 5100' w/Cut Brine; 5100' to 5944 w/Cut Brine; 5944 to 10993' Cut Brine (Horizontal Section)

BOP PROGRAM. A 3000 psi BOP will be nipped up on the 8 5/8" casing

H2S IS NOT ANTICIPATED

Current Form C-144 must be approved
prior to commencement of drilling
activities

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature:

Cy Cowan

Printed name. Cy Cowan

Title:

Regulatory Agent

E-mail Address.

Date: September 29, 2008

575 748-4372

Approved by:

Jim W. Green
District II Supervisor

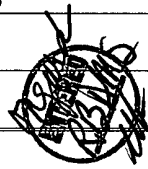
Approval Date:

10/8/08

Expiration Date:

10/9/10

Conditions of Approval Attached ☐



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1625 N. French Dr., Hobbs, NM 88240

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1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
1820 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <i>30-015-36683</i>	Pool Code <i>17970</i>	Pool Name <i>Dog Canyon</i> Wolfcamp
Property Code <i>37413</i>	Property Name BEGINNER "BLB" FEDERAL COM	
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Well Number 1H
		Elevation 3567'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	16 S	28 E		1210	NORTH	250	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
D	19	16 S	28 E		360	NORTH	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

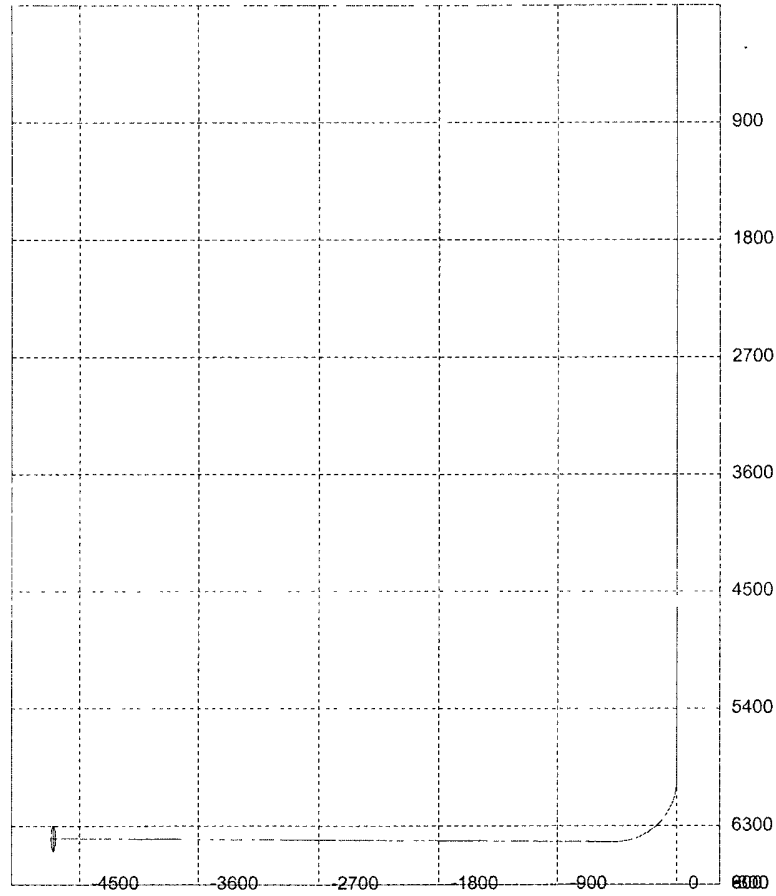
		OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location pursuant to a contract 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. Signature: <i>Cy Cowan</i> Date: _____ Printed Name: Cy Cowan	
Producing Area BOTTOM HOLE LOCATION Lat - N32°54'50.94" Long - W104°13'21.33" SPC- N.: 696320.066 E.: 575321.112 (NAD-83)		Project Area Penetration Point 1124' FNL & 723' FEL	
SURFACE LOCATION Lat - N32°54'42.95" Long - W104°12'25.95" SPC- N.: 695518.084 E.: 580043.080 (NAD-83)		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. DATE: AUG 15 2008 Date Surveyed: _____ Signature: <i>Gary L. Jones</i> Professional Surveyor Certificate No. Gary L. Jones 7977 BASIN SURVEYS	

M.D.	Inclination	Azimuth	T.V.D.	N.F.S.	E/W	D.L.S.	ToolFace	T.F. Ref. (HS/GN)	
0	0	0	0	0	0	0			
179	0	0	179	0	0	0			YATES
349	0	0	349	0	0	0			SEVEN RIVERS
875	0	0	875	0	0	0			QUEEN
1049	0	0	1049	0	0	0			GRAYBURG
1655	0	0	1655	0	0	0			SAN ANDRES
3133	0	0	3133	0	0	0			GLORIETA
4417	0	0	4417	0	0	0			TUBB
5137	0	0	5137	0	0	0			ABO
5944	0	0	5944	0	0	12	280	GN	KOP
5950	0 72	280.25	5950	0.01	-0.04	12	0	HS	
5975	3 72	280.25	5974.98	0.18	-0.99	12	0	HS	
6000	6 72	280.25	5999.87	0.58	-3.23	12	360	HS	
6025	9 72	280.25	6024.61	1.22	-6.74	12	0	HS	
6050	12 72	280.25	6049.13	2.09	-11.53	12	0	HS	
6075	15 72	280.25	6073.36	3.18	-17.57	12	360	HS	
6100	18 72	280.25	6097.24	4.5	-24.86	12	0	HS	
6125	21 72	280.25	6120.7	6.03	-33.36	12	0	HS	
6150	24 72	280.25	6143.67	7.79	-43.06	12	0	HS	
6175	27 72	280.25	6166.09	9.75	-53.92	12	0	HS	
6200	30 72	280.25	6187.91	11.92	-65.93	12	360	HS	
6225	33 72	280.25	6209.06	14.3	-79.05	12	360	HS	
6250	36 72	280.25	6229.48	16.86	-93.23	12	360	HS	
6275	39 72	280.25	6249.12	19.61	-108.45	12	0	HS	
6300	42 72	280.25	6267.92	22.54	-124.66	12	0	HS	
6325	45 72	280.25	6285.83	25.65	-141.82	12	360	HS	
6350	48 72	280.25	6302.81	28.91	-159.87	12	360	HS	
6375	51 72	280.25	6318.81	32.33	-178.77	12	360	HS	
6400	54 72	280.25	6333.77	35.89	-198.48	12	360	HS	
6425	57 72	280.25	6347.67	39.59	-218.92	12	0	HS	
6450	60 72	280.25	6360.46	43.41	-240.05	12	0	HS	
6475	63 72	280.25	6372.11	47.35	-261.82	12	0	HS	
6500	66 72	280.25	6382.59	51.39	-284.15	12	0	HS	
6525	69 72	280.25	6391.87	55.52	-306.99	12	360	HS	
6550	72 72	280.25	6399.91	59.73	-330.28	12	360	HS	
6575	75 72	280.25	6406.71	64.01	-353.95	12	0	HS	
6600	78 72	280.25	6412.24	68.35	-377.94	12	0	HS	
6625	81 72	280.25	6416.49	72.73	-402.18	12	360	HS	
6650	84 72	280.25	6419.44	77.15	-426.61	12	0	HS	
6675	87 72	280.25	6421.09	81.59	-451.15	12	0	HS	
6696.94	90.35	280.25	6421.46	85.5	-472.74	0			Producing Zone
10992.86	90.35	280.25	6395	850	-4700	0			Lateral TD

Well will be drilled vertically to approx. 5944'. At 5944' well will be kicked off and directionally drilled at 12 degrees per 100' with a 7 7/8" hole to 10,993' MD 6,395' TVD where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be encountered at 1124' FNL and 723' FEL, 19-16S-28E. Deepest TVD in the well is 6421' in the lateral. NO PILOT HOLE.

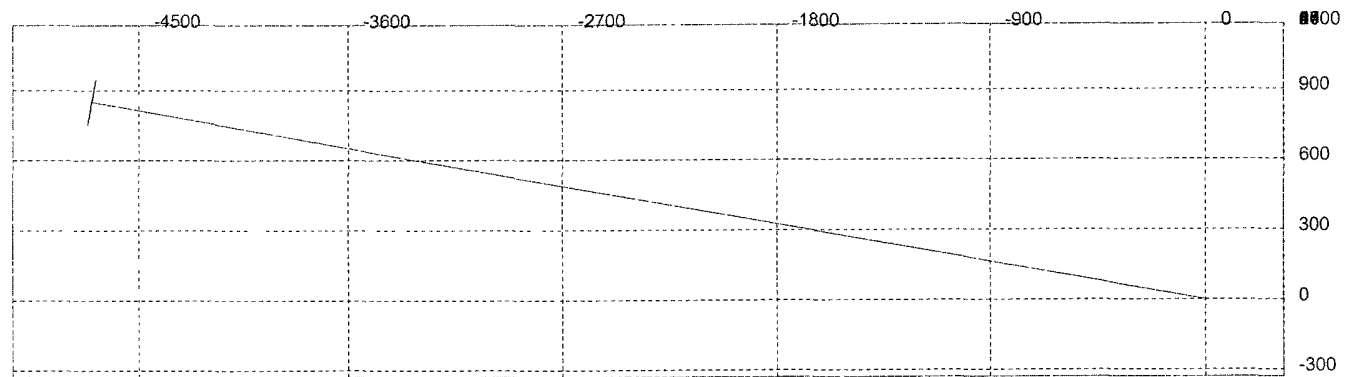
3D³ Directional Drilling Planner - 3D View

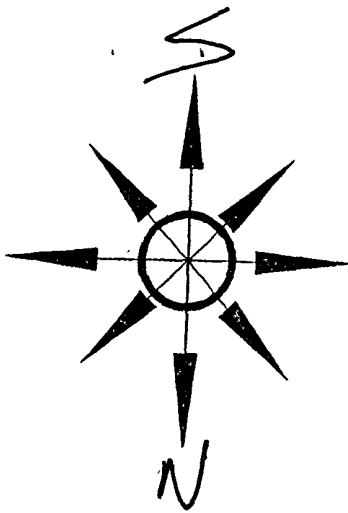
Company: **Yates Petroleum Corporation**
Well: **Beginner BLB Federal Com. #1H**



3D³ Directional Drilling Planner - 3D View

Company: Yates Petroleum Corporation
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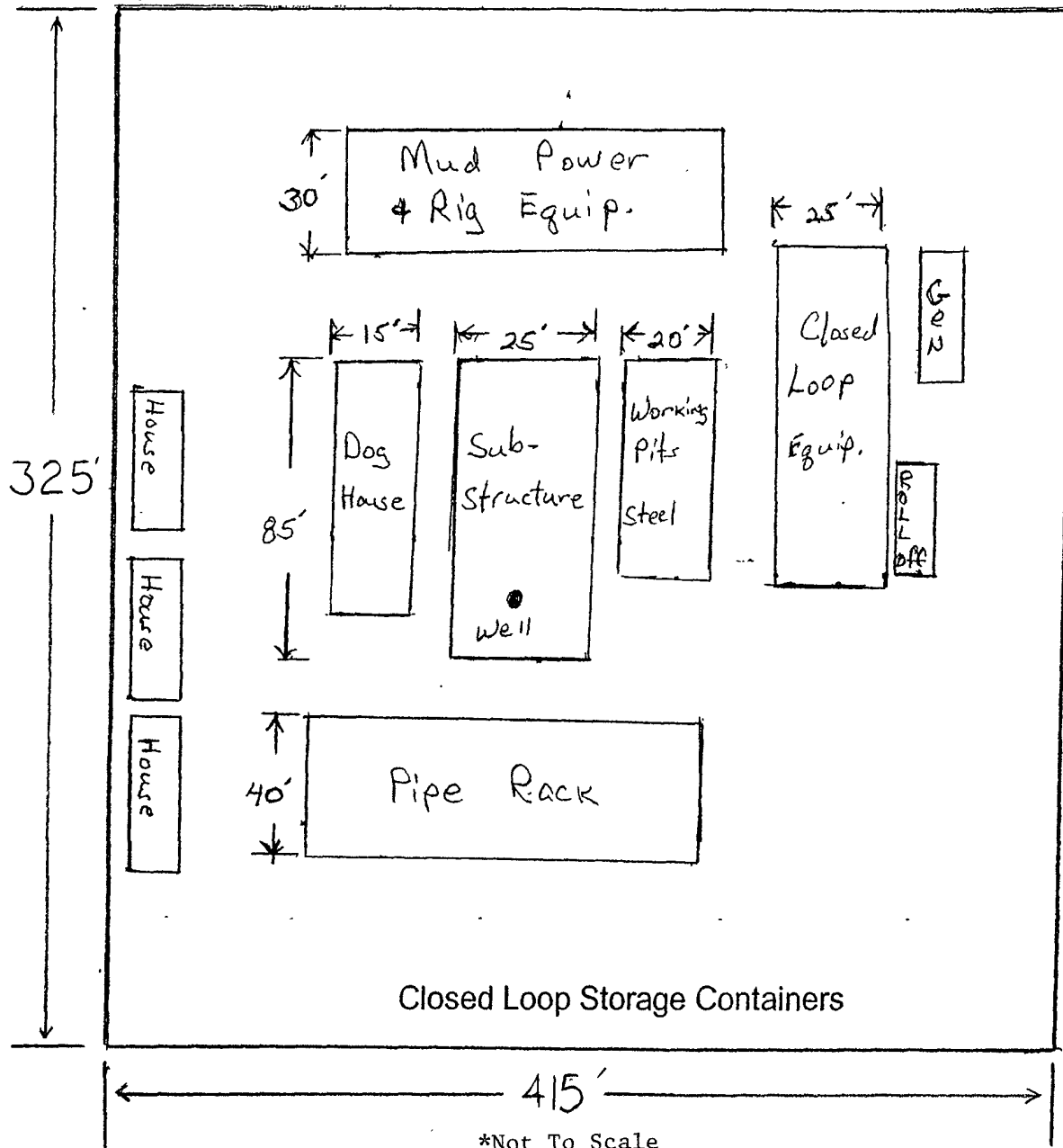


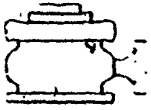


Yates Petroleum Corporation

Location Layout for Permian Basin

Closed Loop Design Plan

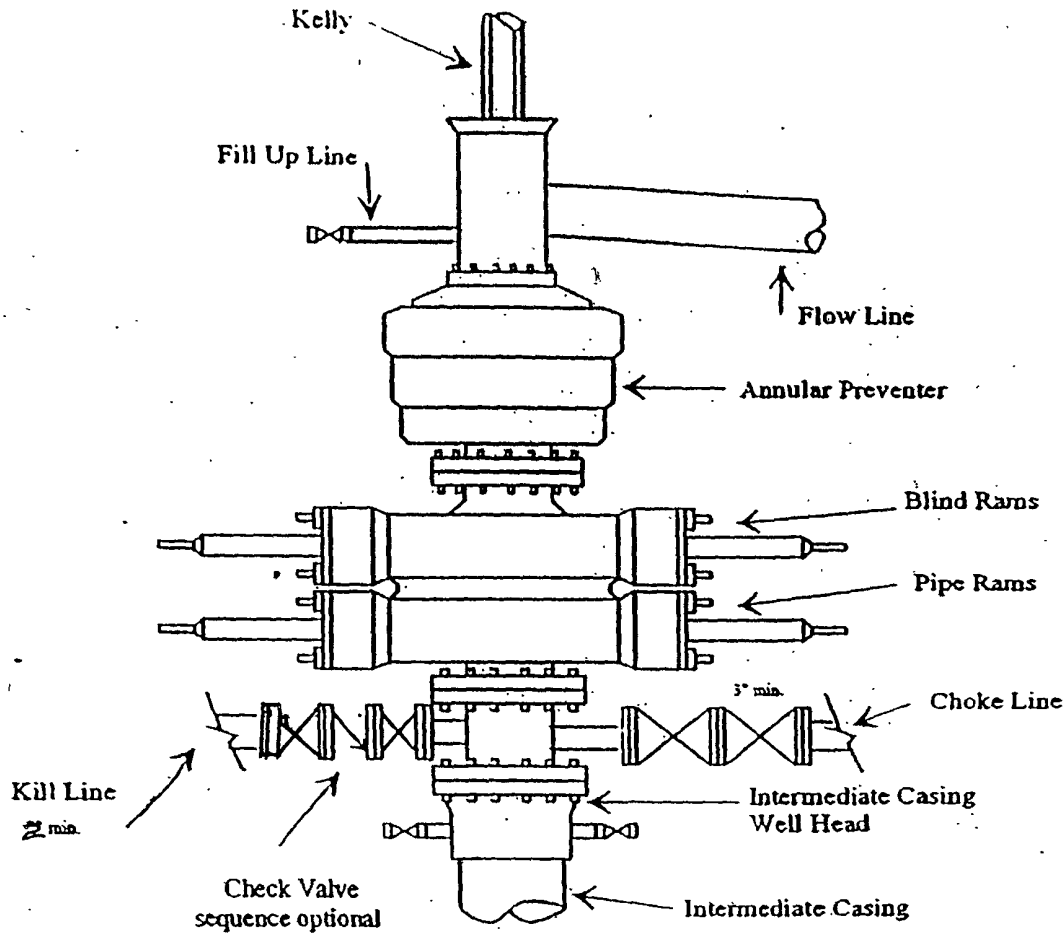




Yates Petroleum Corporation

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

