# State of New Mexico

#### Form C-101 Permit 105750

# Energy, Minerals and Natural Resources

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

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

	2. OGRID Number 25575	
	3. API Number 30-015-37418	
5. Property Name	6. Wett No. 003H	
)	OLEUM CORPORATION 05 S 4TH ST SIA , NM 88210	

### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	5	25S	30E	N	330	S	1980	W	EDDY

### 8. Pool Information

PIERCE CROSSING BONE SPRING, NORTH	96448
I ILICE OROBBITO BOTTE BITALTO, FORTII	70770

# Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3216
14. Multiple N	15. Proposed Depth 9626	16. Formation Bone Spring	17. Contractor	18. Spud Date
Depth to Ground	water	Distance from nearest fresh	water well	Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh Water X Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	650	525	0
Int1	12.25	9.625	40	3550	950	0
Int2	8.75	7	26	8123	850	3000
Prod	7.875	5.5	11.6	9626	650	6800

# Casing/Cement Program: Additional Comments

H2S is not anticipated for this well

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	5

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	OIL CONSERVATION DIVISION				
NMOCD guidelines, a general permit, or an (attached) alternative OCD-approved plan.	Approved By: Jacqueta Reeves				
Printed Name: Electronically filed by Monti Sanders	Title: District Geologist				
Title:	Approved Date: 12/15/2009 Expiration Date: 12/15/2011				
Email Address: montis@yatespetroleum.com	11/1/14 11 11 11 11 11 11 11 11 11 11 11 11 1				
Date: 11/24/2009 Phone: 575-748-4244					

District I

1625 N. French Dr., Hobbs, NM 88240 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

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

Form C-102 Permit 105750

# Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

### WELL LOCATION AND ACREAGE DEDICATION PLAT

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1. API Number	2. Pool Code	3.	Pool Name	
30-015-37418	96448	PIERCE CROSSING BONE SPRING, NORTH		
4. Property Code	5. Property Name		6. Well No.	
35384	DOC BHU STATE		003H	
7. OGRID No.	8. Operator Name		9. Elevation	
25575	YATES PETROLEU	JM CORPORATION	3216	

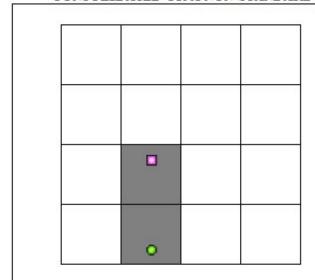
### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	5	25S	30E		330	S	1980	W	EDDY

## 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
K	5	25S	30E	K	2310	S	1980	W	EDDY
200000000000000000000000000000000000000	cated Acres	13. J	oint 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



### 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(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.

E-Signed By: Monti Sanders

Title:

Date: 11/24/2009

## 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.

Surveyed By: Gary Jones Date of Survey: 11/2/2009 Certificate Number: 7977

# **Permit Comments**

Operator: YATES PETROLEUM CORPORATION , 25575 Well: DOC BHU STATE #003H

API: 30-015-37418

Created By	Comment	Comment Date
MSANDERS	Well will be drilled vertically to 7373'. At 7373' well will be kicked off at 12 degrees per 100' with an 8 3/4" hole to 8123'MD (7850' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 9626' MD(7850' TVD) where 4 1/2" casing will be set and cemented.	11/20/2009
MSANDERS	If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 9828' MD (7850' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be at 807' FSL and 1980' FWL, 5-25S-30E. Deepest TVD in the well is 7850' in the lateral.	11/20/2009
MSANDERS	MUD PROGRAM: 0-850' Fresh Water; 650'-3550' Brine Water; 3550'-7373' Cut Brine; 7373'- 9626' Cut Brine (Lateral)	11/20/2009
MSANDERS	BOP PROGRAM: 3000# psi system nippled up on 13 3/8" and 8 5/8" casing	11/20/2009
MSANDERS	Maximum Anticipated BHP: Depths are TVD 0-650' 311 PSI 650'-3550' 1883 PSI 3550'-7850' 3796 PSI	11/20/2009
MSANDERS	C-144 for a Closed Loop System to follow by mail. Contingency Casing Design and Directional Drilling Plan also to follow by mail.	11/20/2009