#### State of New Mexico

Form C-101 Permit 133408

### 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

	or Name and Address LEUM CORPORATION	OGRID Number     25575	
Carlo and Carlo	5 S 4TH ST SIA , NM 88210	3. API Number 30-015-39147	
4. Property Code 38671	5. Property Name GOPHER BRG STATE	6. Well No. 001	

#### 7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	13	17S	28E	L	1850	S	330	W	EDDY

#### 8. Pool Information

EMPIRE; GLORIETA-YESO 96210

#### Additional Well Information

	100		raditional well it	TOTHERION		
9. Work Type New Well	10. Wei OI	13,000,00	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3643 18. Spud Date	
14. Multiple N		osed Depth 200	16. Formation Yeso Formation	17. Contractor		
Depth to Ground	water		Distance from nearest free	h water well	Distance to nearest surface water	
it: Liner: Synthetic Closed Loop Syste	m 「	mils thick C	lay 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	12.25	9.625	36	300	165	0
Prod	7.875	5.5	15.5	5200	715	0

#### Casing/Cement Program: Additional Comments

Production cement to be done in two stages with stage tools at approx. 3600'. Stage I from 5200'-3600': cement with 300 sacks of Class C Poz 50/50 (YLD 1.30 WT 14.2) TOC=3000', designed with 35% excess. Stage II from 3600'-0': lead with 415 sacks of Class C Poz (YLD 2.10 WT 12.4) designed with 35% excess. Tail with 100 sacks of Class C Poz 50/50 (YLD 1.30 WT 14.2), TOC=0.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer						
DoubleRam	3000	3000							

of my knowledge and belief.	action given above is true and complete to the best illing pit will be constructed according to	OIL CONSERVATION DIVISION			
NMOCD guidelines , a go OCD-approved plan .	eneral permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electroni	cally filed by Monti Sanders	Title: District Supervisor			
Title:		Approved Date: 6/21/2011	Expiration Date: 6/21/2013		
Email Address: montis@	yatespetroleum.com		0.7 9.2		
Date: 6/20/2011 Phone: 575-748-4244		Conditions of Approval Attached			

District I

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

District I

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 133408

# Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	2. Pool Code	3.	Pool Name
30-015-39147	96210 EMPIRE; 0		SLORIETA-YESO
4. Property Code	5. Property	Name	6. Well No.
38671	GOPHER BRG STATE		001
7. OGRID No.	8. Operator Name		9. Elevation
25575	YATES PETROLEUM CORPORATION 3643		

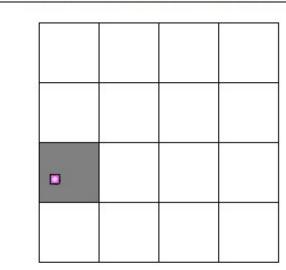
#### 10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	13	17S	28E		1850	S	330	W	EDDY

#### 11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Id	Feet From	N/S Line	Feet From	E/W Line	County
	cated Acres	13. 1	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



#### 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: 6/20/2011

#### 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: 5/7/2011 Certificate Number: 7977

## **Permit Comments**

Operator: YATES PETROLEUM CORPORATION , 25575 Well: GOPHER BRG STATE #001

API: 30-015-39147

Created By	Comment	Comment Date
dif	Well will be drilled vertically to 5200'. Well will be evaluated & if comercial 5 1/2" casing will be ran & cemented.	6/20/2011
dif	H2S may be present.	6/20/2011
dif	Maximum anticipated BHP: 0-300' is 130 PSI, 300'-5200' is 2650 PSI	6/20/2011

# Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575 Well: GOPHER BRG STATE #001

API: 30-015-39147

OCD Reviewer	Condition
Artesia	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