<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III 1000 Rio Brazos Rd., Aztec, NM 87410

Phone:(505) 334-6178 Fax:(505) 334-6170

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

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-101 August 1, 2011

Permit 179321

YAT		CORPORATION		8,80	300			2. OG	RID Number 25575	
	S 4TH ST ESIA , NM 88210							3. API	Number 30-015-419	15
4. Property Code 5. Property Na 37955 PEI				X STATE COM				6. Wel	I No. 004H	
				7. Sur	face Location					
L - Lot M	Section 14	Township 25S	Range 27E	Lot Idn	Feet From 660	N/S Line S	Feet From	15	E/W Line W	County Eddy
				8. Proposed I	Bottom Hole Location	on				
L - Lot P	Section 14	Township 25S	Range 27E	Lot Idn	Feet From 660	N/S Line S	Feet From	330	E/W Line	County Eddy
	VA:	456.	1954	9. Poo	ol Information	VA:	100		20- 	8
VILDCAT G-	02 S252715A;BO	NE SPRING							978	316
		W-17.19		Additiona	Well Information					
1. Work Type Nev	v Well	12. Well Type OIL	13. Cable/R	otary		14. Lease T	ype State	15. Gr	ound Level Elevation 3086	on
6. Multiple N	14210	17. Proposed Depth 12415	18. Formatio	on nd Bone Spring	Sand	19. Contrac	tor	20. Sp	ud Date	
epth to Groun	d water		Distance from	Distance from nearest fresh water well			Distance to nearest surface water			
We will be u	using a closed-lo	op system in lieu of li	**************************************	. Proposed Cas	sing and Cement Pr	ogram			905	
Туре	Hole Size	Casing Size	Casi	Casing Weight/ft Setting Depth				ds of Cement		Estimated TOC
Surf	17.5	13.375		48	400 2500		415		0	
	12.25	9.625		36			850		0	
Int1	8.5	5.5 5.5		17 17	1241 792			30		4700
Prod Prod	8.75				/0.7	/	'	3(1)	I	2000

	22. Proposed Blowout Preve	illion Program	
Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	
Double Ram	5000	5000	-

knowledge and	belief. I have complied with 19.15.14.9	e is true and complete to the best of my (A) NMAC ⊠ and/or 19.15.14.9 (B) NMAC		OIL CONSER	RVATION DIVISION
Printed Name:	Electronically filed by LORI F	LORES	Approved By:	Randy Dade	
Title:	Land Regulatory Technician		Title:	District Supervisor	
Email Address:	lorif@yatespetroleum.com		Approved Date:	1/6/2014	Expiration Date: 1/6/2016
Date:	1/3/2014	Phone: 575-748-4448	Conditions of App	proval Attached	122 (162 ft 17 17 17 18 (166 ft 16

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District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 179321

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41915	2. Pool Code 97816	3. Pool Name WILDCAT G-02 S252715A;BONE SPRING
4. Property Code 37955	Property Name PERFECTO BOX STATE COM	6. Well No. 004H
7. OGRID No. 25575	Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3086

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	14	25S	27E		660	S	15	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
P	14	25S	27E	**************************************	660	S	330	E	Eddy
12. Dedicated Acr	res		13. Joint or Infill	***	14. Consolidation Cod	ie		15. Order No.	
160.00	0		1000 1000 1000					100000000000000000000000000000000000000	

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

	organization either ov a right to drill this we	OPERATOR CERTIFICATION e information contained herein is true and complete to the best of my knowledge and belief, and that this was a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has ill at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling ulsory pooling order heretofore entered by the division.
	E-Signed By:	LORI FLORES
	Title:	Land Regulatory Technician
	Date:	1/3/2014
	I hereby certify that th	SURVEYOR CERTIFICATION e well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision.
		rue and correct to the best of my belief.
P 0	Surveyed By:	Gary Jones
	Date of Survey:	10/15/2013
	Certificate Number:	7977

Form APD Comments

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720 District III
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State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Permit 179321

PERMIT COMMENTS

Operator Name and Address:	API Number:
YATES PETROLEUM CORPORATION [25575]	30-015-41915
105 S 4TH ST	Well:
ARTESIA , NM 88210	PERFECTO BOX STATE COM #004H

Created By	Comment	Comment Date
THAHN	H2S is not anticipated. C-102 to follow.	1/3/2014
THAHN	Samples: 10' Samples surface-TD	1/3/2014
THAHN	Logging: GR NEUTRON 30 DEG DEV. TO SURFACE NEUTRON DENSITY 30 DEG DEV. TO INTERMEDIATE CASING LATEROLOG 30 DEG DEV. TO INTERMEDIATE CASING CMR 30 DEG DEV. TO INTERMEDIATE CASING HORIZONTAL-MWD-GR	1/3/2014
THAHN	Mud Level Monitoring: After surface casing is set an electronic PVT system will be installed as our primary mud level monitoring system. A secondary system will also be implemented as to insure the PVT system is functioning properly. The secondary system will be comprised of the derrick hand checking the fluid level in the pit.	1/3/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-400' is 191 PSI 400'-2500' is 1326 PSI 2500'-7780' is 3722 PSI	1/3/2014
THAHN	Well will be drilled to 7185' then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 7922' MD (7662' TVD). Hole size will then be reduced to 8.5" and drilled to 12415' MD (7780' TVD) where 5.5" casing will be set and cemented 500' into intermediate casing with a DV tool at approx. 4700' (cement volumes will be adjusted per tool placement). Penetration point of producing zone will be encountered at 660' FSL and 480' FWL, 14-25S-27E. Deepest TVD is 7780' in the lateral.	1/3/2014
CSHAPARD	Land s/S	1/6/2014

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Permit 179321

Form APD Conditions

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
YATES PETROLEUM CORPORATION [25575]	30-015-41915
105 S 4TH ST	Well:
ARTESIA, NM 88210	PERFECTO BOX STATE COM #004H

OCD	Condition
Reviewer	
CSHAPARD	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