District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 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 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-101 August 1, 2011

Permit 179318

	Name and Address ATES PETROLEU	M CORPORATIO	N							2. OGF	RID Number 25575		
	05 S 4TH ST RTESIA , NM 8821	0								3. API	Number 30-015-419	16	
4. Property Code 5. Property Nar 36591 JER					e 6. Well No. CHO BKJ STATE COM 004H								
						7. Surf	face Location						
UL - Lot	Section 15	Township 2	Range 5S	27E	Lot Idn		Feet From 1980	N/S Line S	Feet From	15	E/W Line	County	Eddy
					8. Prop	osed E	Bottom Hole Location	on					
UL - Lot L	Section 15	Township 2	Range 5S	27E	Lot Idn	L	Feet From 1980	N/S Line S	Feet From	330	E/W Line W	County	Eddy
						9. Poo	I Information						
WILDCAT	G-02 S252715A;B	ONE SPRING									978	316	
					Add	ditional	Well Information						
11. Work Typ N	ork Type 12. Well Type 13. Cable/Rotary New Well OIL				14. Lease Type 15. Ground Level Elevation 3122		on						
18. Multiple 17. Proposed Depth 18. Formation N 12396 2nd Bone Spring Sand			Sand	19. Contrac	19. Contractor 20. Spud Date								
Depth to Gro	ound water		1	Distance fro	m nearest fr	resh wat	er well			Distanc	e to nearest surfac	e water	

■ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	415	0
Int1	12.25	9.625	36	2400	820	0
Prod	8.5	5.5	17	12396	1360	4500
Prod	8.75	5.5	17	7917	515	1900

Casing/Cement Program: Additional Comments

22. Proposed	Blowout	Prevention	Program
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VS.	22:1 Topoccu Diomont Tevendon Trogram							
Type Working Pressure		Test Pressure	Manufacturer					
Double Ram	3000	3000						
Double Ram	5000	5000						

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable. Signature:				OIL CONSERVA	ATION DIVISION
Printed Name:	Electronically filed by LORI FLO	RES	Approved By:	Randy Dade	
Title:	Land Regulatory Technician	Land Regulatory Technician		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 Approval Attached		

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District IV

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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

Form C-102 August 1, 2011

Permit 179318

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-41916	2. Pool Code 97816	3. Pool Name WILDCAT G-02 S252715A;BONE SPRING
4. Property Code 36591	Property Name JERICHO BKJ STATE COM	6. Well No. 004H
7. OGRID No. 25575	Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3122

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
1	15	258	27E		1980	S	15	E	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
L	15	25S	27E	English Salari	1980	S	330	W	Eddy
12. Dedicated Acres			13. Joint or Infill		14. Consolidation Code			15. Order No.	
160.0	00							1.747.84.00	

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: LORI FLORES
Title: Land Regulatory Technician
Date: 1/3/2014
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: 10/15/2013
Certificate Number: 7977

Form APD Comments

District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

Phone:(575) 748-1283 Fax:(575) 748-9720 <u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

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

Permit 179318

PERMIT COMMENTS

Operator Name and Address:	API Number:
YATES PETROLEUM CORPORATION [25575]	30-015-41916
105 S 4TH ST	Well:
ARTESIA, NM 88210	JERICHO BKJ STATE COM #004H

Created By	Comment	Comment Date
THAHN	H2S is not anticipated. C-102 are to follow.	1/3/2014
THAHN	Samples: 10' Samples 400'-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	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-400' is 191 PSI 400'-2400' is 1273 PSI 2400'-7632' is 3651 PSI	1/3/2014
THAHN	Well will be drilled to 7155' then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 7917' MD (7632' TVD). Hole size will then be reduced to 8.5" and drilled to 12396' MD (7515' TVD) where 5.5" casing will be set and cemented 500' into intermediate casing with a DV tool at approx. at 4500'. Penetration point of producing zone will be encountered at 1980' FSL and 505' FEL, 15-25S-27E. Deepest TVD is 7632' in the lateral.	1/3/2014
CSHAPARD	Land s/S	1/6/2014

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Permit 179318

Form APD Conditions

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
YATES PETROLEUM CORPORATION [25575]	30-015-41916
105 S 4TH ST	Well:
ARTESIA, NM 88210	JERICHO BKJ 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