

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 182961

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

1. Operator Name and Address YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA, NM 88210		2. OGRID Number 25575
		3. API Number 30-025-41743
		6. Well No. 001H
4. Property Code 40460	5. Property Name TOMATO BVO STATE	

7. Surface Location

UL - Lot	P	Section	16	Township	20S	Range	35E	Lot Idn		Feet From	200	N/S Line	S	Feet From	660	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	I	Section	16	Township	20S	Range	35E	Lot Idn	I	Feet From	2310	N/S Line	S	Feet From	660	E/W Line	E	County	Lea
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9. Pool Information

FEATHERSTONE;BONE SPRING	24250
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3716
16. Multiple N	17. Proposed Depth 12209	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 4/1/2014
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface 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	2040	1485	0
Int1	12.25	9.625	36	5900	1980	0
Prod	8.5	5.5	17	12209	705	8300
Prod	8.75	5.5	17	10586	1225	5400

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> if applicable. Signature: Printed Name: Electronically filed by LORI FLORES Title: Land Regulatory Technician Email Address: lorif@yatespetroleum.com Date: 3/12/2014	<div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul Kautz Title: Geologist Approved Date: 3/20/2014 Expiration Date: 3/20/2016 Conditions of Approval Attached
Phone: 575-748-4448	

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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: 3/12/2014

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: 3/7/2014
Certificate Number: 7977

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Form APD Comments

Permit 182981

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-41743
	Well: TOMATO BVO STATE #001H

Created By	Comment	Comment Date
THAHN	H2S is not anticipated. C-102 will follow by mail.	3/12/2014
THAHN	Samples: 10' samples Logging: GR NEUTRON TD TO SURFACE DENSITY TD TO INTERM CSG LATEROLOG TD TO INTERM CSG CMR TD TO INTERM CSG DST's: Coring: Mudlogging: On from surface casing to TD	3/12/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-2040' is 976 PSI 2040'-5900' is 3129 PSI 5900'-10304' is 4929 PSI	3/12/2014
THAHN	Pilot hole will be drilled vertically to 11700'. Well will then be plugged back with a 200' isolation plug on bottom and a 500'-600' kick off plug. Well will then be kicked off at approx. 9826' and directionally drilled at 12 degrees per 100' with an 8.75" hole to 10586' MD (10304' TVD). Hole size will then be reduced to 8.5" and drilled to 12209' MD (10269' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 688' FSL and 660' FEL, 36-18S-35E. Deepest TVD is 11700' in the pilot hole. Deepest TVD is 10304'	3/12/2014
pkautz	Land s/s	3/13/2014

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Form APD Conditions

Permit 182981

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

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-41743
	Well: TOMATO BVO STATE #001H

OCD Reviewer	Condition
pkautz	Will require a directional survey with the C-104
pkautz	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
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water