

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 186995

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 30-025-41886
		6. Well No. 001H
4. Property Code 313308	5. Property Name PIXLEY BVX STATE	

7. Surface Location

UL - Lot	P	Section	26	Township	18S	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	A	Section	26	Township	18S	Range	35E	Lot Idn	A	Feet From	230	N/S Line	N	Feet From	660	E/W Line	E	County	Lea
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9. Pool Information

VACUUM;BONE SPRING, WEST	61910
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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 3870
16. Multiple N	17. Proposed Depth 13886	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date
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	1865	1370	0
Int1	12.25	9.625	36	6000	1945	0
Prod	8.75	5.5	17	9517	615	5500
Prod	8.5	5.5	17	13886	895	8700

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 Travis Hahn Title: Land Regulatory Agent Email Address: thahn@yatespetroleum.com Date: 6/2/2014 Phone: 575-748-4120	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 6/3/2014 Expiration Date: 6/3/2016 Conditions of Approval Attached
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Form C-102
 August 1, 2011
 Permit 186995

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41886	2. Pool Code 61910	3. Pool Name VACUUM;BONE SPRING, WEST
4. Property Code 313308	5. Property Name PIXLEY BVX STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3870

10. Surface Location

UL - Lot P	Section 26	Township 18S	Range 35E	Lot Idn	Feet From 200	N/S Line S	Feet From 660	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 26	Township 18S	Range 35E	Lot Idn	Feet From 230	N/S Line N	Feet From 660	E/W Line E	County Lea
12. Dedicated Acres 160.00	13. 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

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Form APD Comments

Permit 186995

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA, NM 88210	API Number: 30-025-41886
	Well: PIXLEY BVX STATE #001H

Created By	Comment	Comment Date
Ynavarrette	C-102 and horizontal drilling diagram will follow by mail.	6/2/2014
Ynavarrette	Samples: 30' Sample to 4500'. 10' Samples 4500'-TD	6/2/2014
Ynavarrette	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1865' is 892 PSI 1865'-6000' is 3182 PSI 6000'-10200' is 4880 PSI PILOT HOLE 8762'-9239' is 4420 PSI LATERAL	6/2/2014
Ynavarrette	Pilot hole will be drilled vertically til 10200'. 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 approximately 10200' and directionally drilled at 12 degrees per 100' with a 8.75" hole to 9517' MD (9239' TVD). Hole size will then be reduced to 8.5" and drilled to 13886' MD (9185' TVD) where 5.5" casing will be set. Production casing will be cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 683' FSL and 660' FEL, 26-18S-35E. Deepest TVD is 10200' in the pilot h	6/2/2014

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Form APD Conditions

Permit 186995

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PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-41886
	Well: PIXLEY BVX 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	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --