

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-8161 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) 334-8178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 191182

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
4. Property Code 40238		3. API Number 30-025-42067
5. Property Name TANGO BTP STATE COM		6. Well No. 001

7. Surface Location

UL - Lot	D	Section	36	Township	20S	Range	33E	Lot Idn	Feet From	200	N/S Line	N	Feet From	660	E/W Line	W	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	M	Section	36	Township	20S	Range	33E	Lot Idn	M	Feet From	330	N/S Line	S	Feet From	660	E/W Line	W	County	Lea
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9. Pool Information

WC-025 G-08 S213304D;BONE SPRING	97895
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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 3675
16. Multiple N	17. Proposed Depth 15869	18. Formation 3rd 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	1710	1255	0
Int1	12.25	9.625	36	6000	2015	0
Prod	8.5	5.5	17	15869	1225	11090
Prod	8.75	5.5	17	11590	1040	3300

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:	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Travis Hahn	Approved By: Paul Kautz
Title: Land Regulatory Agent	Title: Geologist
Email Address: thahn@yatespetroleum.com	Approved Date: 8/26/2014 Expiration Date: 8/26/2016
Date: 8/19/2014 Phone: 575-748-4120	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 191182

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42067	2. Pool Code 97895	3. Pool Name WC-025 G-08 S213304D;BONE SPRING
4. Property Code 40238	5. Property Name TANGO BTP STATE COM	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3675







10. Surface Location

UL - Lot D	Section 36	Township 20S	Range 33E	Lot Idn	Feet From 200	N/S Line N	Feet From 660	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 36	Township 20S	Range 33E	Lot Idn	Feet From 330	N/S Line S	Feet From 660	E/W Line W	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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px; text-align: center;"></td><td style="width: 25%;"></td><td style="width: 25%;"></td><td style="width: 25%;"></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px;"></td><td></td><td></td><td></td></tr> <tr><td style="height: 40px; text-align: center;"></td><td></td><td></td><td></td></tr> </table>																					<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: Travis Hahn Title: Land Regulatory Agent Date: 8/19/2014</p> <hr/> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Gary Jones Date of Survey: 10/16/2013 Certificate Number: 7977</p>
																					
																					

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Form APD Comments

Permit 191182

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-42067
	Well: TANGO BTP STATE COM #001

Created By	Comment	Comment Date
THAHN	H2S is not anticipated. C-102 will follow by mail.	8/19/2014
THAHN	Samples: 30' samples to 4500'. 10' samples 4500'-TD. Logging: GR NEUTRON 30 DEG DEV TO SURF CSG, DENSITY 30 DEG DEV TO SURF CSG, LATEROLOG 30 DEG DEV TO INTERM CSG, CMR 30 DEG DEV TO INTERM CSG, DIPOLE SONIC/FMI 30 DEG DEV TO INTERM CSG (SCHLUMBERGER TOOLS PLATFORM/HRLA/CMR/FMI PLUS DIPOLE). Mudlogging: On after surface casing	8/19/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1710' is 818 PSI, 1710'-6000' is 3182 PSI, 6000'-11358' is 5434 PSI	8/19/2014
THAHN	Well will be drilled to 10845' then be kicked and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 11590' MD (11322' TVD). Hole size will then be reduced to 8 1/2" and drilled to 15869' MD (11358' TVD) where 5 1/2" casing will be set and cemented. Production cement will tie back 500' into previous casing string if intermediate casing is cemented in a single stage. If intermediate cement is done in 2 stages, production cement will be brought 200' above DV/Packer stage tool. Penetration point of producing zone will be encountered at 673' FNL and 660' FWL, 36-20S-33E. Deepest TV	8/19/2014
DMULL	Well location is in the POTASH AREA. This requires response from the Bureau of Land Management and the State Land Office. Notice letter advising them of this APD sent by the OCD Hobbs office.	8/20/2014
DMULL	OCD Hobbs office has received response letter from the BLM & SLO. Letter scanned to well file.	8/26/2014

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Form APD Conditions

Permit 191182

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-42067
	Well: TANGO BTP STATE COM #001

OCD Reviewer	Condition
DMULL	Well location in the POTASH AREA. This requires response from the Bureau of Land Management and the State Land office. Notice letter advising them of this APD sent out by the OCD Hobbs Office.
DMULL	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
DMULL	Will require a directional survey with the C-104
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well.
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water