

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) 334-8170
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 192341

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 12179		3. API Number 30-015-42637
5. Property Name DAYTON EY		6. Well No. 003H

7. Surface Location

UL - Lot	M	Section	21	Township	18S	Range	26E	Lot Idn	Feet From	589	N/S Line	S	Feet From	200	E/W Line	W	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	P	Section	21	Township	18S	Range	26E	Lot Idn	P	Feet From	660	N/S Line	S	Feet From	330	E/W Line	E	County	Eddy
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9. Pool Information

ATOKA;GLORIETA-YESO	3250
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3417
16. Multiple N	17. Proposed Depth 7202	18. Formation Yeso	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	14.75	9.625	36	1400	1025	0
Prod	7.875	5.5	17	7202	1130	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

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 Title: Land Regulatory Agent Email Address: thahn@yatespetroleum.com Date: 9/12/2014	Approved By: Randy Dade Title: District Supervisor Approved Date: 9/12/2014 Expiration Date: 9/12/2016 Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 192341

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-42637	2. Pool Code 3250	3. Pool Name ATOKA;GLORIETA-YESO
4. Property Code 12179	5. Property Name DAYTON EY	6. Well No. 003H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3417

10. Surface Location

UL - Lot M	Section 21	Township 18S	Range 26E	Lot Idn	Feet From 589	N/S Line S	Feet From 200	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 21	Township 18S	Range 26E	Lot Idn	Feet From 660	N/S Line S	Feet From 330	E/W Line E	County Eddy
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 192341

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-42637
		Well: DAYTON EY #003H

Created By	Comment	Comment Date
THAHN	H2S is anticipated, H2S plan and C-102 will follow.	9/12/2014
THAHN	Samples: 30' Sample to 1400'. 10' Samples 1400'-TD. Logging: NO WIRELINE LOGS, MWD Gamma-turned on 500' before KOP to TD. DST's: None. Coring: None. Mudlogging: Yes-surface to TD.	9/12/2014
THAHN	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD 0'-1400' is 670 PSI 1400'-2800' is 1267 PSI	9/12/2014
THAHN	Well will be drilled vertically to 2187' then be kicked off and directionally drilled at 12 degrees per 100' with an 7 7/8" hole to 2922' MD (2665' TVD). The lateral will be drilled with a 7 7/8" hole to approx. 7202' MD (2800' TVD) where 5 1/2" casing will be set and cemented to surface. Penetration point of producing zone will be encountered at 598' FSL and 662' FWL, 21-18S-26E. Deepest TVD is 2800' in the lateral.	9/12/2014
CSHAPARD	Land p/P	9/12/2014

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Form APD Conditions

Permit 192341

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-015-42637
		Well: DAYTON EY #003H
OCD Reviewer	Condition	
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	