

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 195896

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 38003		3. API Number 30-025-42282
5. Property Name RED RAIDER BKS STATE		6. Well No. 003H

7. Surface Location

UL - Lot	P	Section	25	Township	24S	Range	33E	Lot Idn		Feet From	200	N/S Line	S	Feet From	925	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	A	Section	25	Township	24S	Range	33E	Lot Idn	A	Feet From	230	N/S Line	N	Feet From	400	E/W Line	E	County	Lea
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9. Pool Information

RED HILLS;BONE SPRING, NORTH	96434
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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 3501
16. Multiple N	17. Proposed Depth 14090	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 11/30/2014
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	1215	920	0
Int1	12.25	9.625	36	5350	1740	0
Prod	8.75	5.5	20	9699	550	4850
Prod	8.5	5.5	20	14090	1215	9699

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: Printed Name: Electronically filed by Travis Hahn Title: Land Regulatory Agent Email Address: thahn@yatespetroleum.com Date: 11/21/2014 Phone: 575-748-4120	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist Approved Date: 11/24/2014 Expiration Date: 11/24/2016 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 195896

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42282	2. Pool Code 96434	3. Pool Name RED HILLS;BONE SPRING, NORTH
4. Property Code 38003	5. Property Name RED RAIDER BKS STATE	6. Well No. 003H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3501

10. Surface Location

UL - Lot P	Section 25	Township 24S	Range 33E	Lot Idn	Feet From 200	N/S Line S	Feet From 925	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot A	Section 25	Township 24S	Range 33E	Lot Idn	Feet From 230	N/S Line N	Feet From 400	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 195896

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-025-42282
		Well: RED RAIDER BKS STATE #003H

Created By	Comment	Comment Date
Ynavarrette	Samples: 30' Sample to 4500'. 10' Samples 4500'-TD	11/20/2014
Ynavarrette	Logging: SLB: Platform Express CNL/LDT/NGT 30 DEG DEV-INTERM CSG CNL/GR CSG-SURF HRLA 30 DEG DEV-INTERM CSG HORIZONTAL-MWD-GR CURVE-TD	11/20/2014
Ynavarrette	Mudlogging: Surf csg to TD	11/20/2014
Ynavarrette	Well will be drilled vertically to approx. 8943' and then be kicked off at approx. 8943' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 9699' MD (9420' TVD). Hole size will then be reduced to 8 1/2" and drilled to 14090' MD (9370' TVD) where 5 1/2" casing will be set and cemented 500' into previous casing string. The bottom 100' will not be produced and will consist of our float shoe and float collar. Bottom perf will not cross the 330' hardline. Penetration point of producing zone will be encountered at 681' FSL and 877' FEL, 25-24S-33E. Deepest TVD is 9420' in lateral.	11/20/2014
Ynavarrette	C-102 and horizontal drilling diagram will follow by mail.	11/20/2014

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Form APD Conditions

Permit 195896

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-42282
	Well: RED RAIDER BKS STATE #003H

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	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