

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) 476-3462

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 201399

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 314326		3. API Number 30-025-42477
5. Property Name CALABASH BWC STATE		6. Well No. 001H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	31	21S	34E	1	200	N	660	W	Lea

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	31	21S	34E	M	200	S	660	W	Lea

9. Pool Information

WC-025 G-07 S213430M;BONE SPRING	97962
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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 3589
16. Multiple N	17. Proposed Depth 15641	18. Formation 2nd Bone Spring Sand	19. Contractor	20. Spud Date 7/1/2015
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	1855	1360	0
Int1	12.25	9.625	36	5500	1860	0
Prod	8.75	5.5	17	15641	2905	5100

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 ☒ and/or 19.15.14.9 (B) NMAC ☒, 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: 3/17/2015 Expiration Date: 3/17/2017
Date: 3/16/2015 Phone: 575-748-4120	Conditions of Approval Attached

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Form C-102
August 1, 2011
Permit 201399

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42477	2. Pool Code 97962	3. Pool Name WC-025 G-07 S213430M,BONE SPRING
4. Property Code 314326	5. Property Name CALABASH BWC STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3589







10. Surface Location

UL - Lot D	Section 31	Township 21S	Range 34E	Lot Idn 1	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 31	Township 21S	Range 34E	Lot Idn 4	Feet From 330	N/S Line S	Feet From 660	E/W Line W	County Lea
12. Dedicated Acres 156.00			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: 3/16/2015</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: 10/22/2014 Certificate Number: 7977</p>
																					
																					

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Form APD Comments

Permit 201399

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-025-42477
	Well: CALABASH BWC STATE #001H

Created By	Comment	Comment Date
THAHN	Samples: 30' Sample 0' to 5500' and 10' Samples 5500' toTD. Logging: GR NEUTRON - 30 DEGREE DEVEATION TO SURFACE CASEING, DENSITY - 30 DEGREE DEVEATION TO INTERMEDIATE CASEING, LATEROLOG - 30 DEGREE DEVEATION TO INTERMEDIATE CASEING, CMR - 30 DEGREE DEVEATION TO INTERMEDIATE CASEING. DST's: None. Coring: None. Mudlogging: ON BELOW SURFACE CASEING.	3/16/2015
THAHN	MAXIMUM ANTICIPATED BHP (DEPTHS ARE TVD): 0'-1855' is 887 PSI, 1855'-5500' is 2917 PSI, 5500'-11026' is 5275 PSI.	3/16/2015
THAHN	Well will be drilled vertically to 10517' well will then be kicked off and directionally drilled at 12 degrees per 100' with a 8.75" hole to 11264' MD (10994' TVD). Hole size will then be reduced to 8.5" and drilled to 15641' MD (11026' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. The bottom 100' will not be produced and will consist of the float shoe and float collar. Our bottom perf will not go past the 330' hardline. Penetration point of producing zone will be encountered at 674' FNL and 660' FWL, 31-21S-34E. Deepest TVD is 11026' in the lateral.	3/16/2015
THAHN	H2S is not anticipated to be encountered in this well.	3/16/2015
THAHN	A C-102 and a horizontal drilling diagram will follow.	3/16/2015

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Form APD Conditions

Permit 201399

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210		API Number: 30-025-42477
		Well: CALABASH BWC STATE #001H
OCD Reviewer	Condition	
DMULL	Will require a directional survey with the C-104	
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	
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	