

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 205310

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 37345		3. API Number 30-015-43163
5. Property Name HUMIDOR BMO STATE COM		6. Well No. 001

7. Surface Location

UL - Lot	F	Section	23	Township	24S	Range	27E	Lot Idn	Feet From	2499	N/S Line	N	Feet From	2230	E/W Line	W	County	Eddy
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8. Proposed Bottom Hole Location

UL - Lot	C	Section	14	Township	24S	Range	27E	Lot Idn	C	Feet From	330	N/S Line	N	Feet From	1980	E/W Line	W	County	Eddy
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9. Pool Information

96415 WILLOW LAKE, BONE SPRING, WEST	0
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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 3190
16. Multiple N	17. Proposed Depth 16395	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	600	285	0
Int1	12.25	9.625	36	2400	820	0
Prod	8.5	5.5	17	16395	2065	9369
Prod	8.75	5.5	17	9369	780	1900

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: 6/2/2015	<p style="text-align: center;">OIL CONSERVATION DIVISION</p> Approved By: Randy Dade Title: District Supervisor Approved Date: 6/3/2015 Expiration Date: 6/3/2017 Conditions of Approval Attached
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Phone: 575-748-4120

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Form C-102
August 1, 2011
Permit 205310

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-43163	2. Pool Code	3. Pool Name 96415 WILLOW LAKE;BONE SPRING, WEST
4. Property Code 37345	5. Property Name HUMIDOR BMO STATE COM	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3190

10. Surface Location

UL - Lot F	Section 23	Township 24S	Range 27E	Lot Idn	Feet From 2499	N/S Line N	Feet From 2230	E/W Line W	County Eddy
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11. Bottom Hole Location If Different From Surface

UL - Lot C	Section 14	Township 24S	Range 27E	Lot Idn	Feet From 330	N/S Line N	Feet From 1980	E/W Line W	County Eddy
12. Dedicated Acres 240.00	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

	<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: 6/2/2015</p>
	<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: 1/10/2015 Certificate Number: 7977</p>

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Form APD Comments

Permit 205310

PERMIT COMMENTS

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-015-43163
	Well: HUMIDOR BMO STATE COM #001

Created By	Comment	Comment Date
rbela	Samples: 10' Samples Surf-TD	6/2/2015
rbela	Logging: SCH: PLATFORM EXPRESS. CNL/LDT/NGT-30 DEG TO INTERM CSG. CNL/GR-30 DEG DEV TO SURF CSG. DLL/MSFL-30 DEG DEV TO SURF CSG. BHC-SONIC-30 DEG DEV TO SURF CSG. HORIZONTAL-MWD-GR.	6/2/2015
rbela	MAXIMUM ANTICIPATED BHP: DEPTHS ARE TVD. From 0'-600' pressure is 287 PSI. From 600'-2400' pressure is 1273 PSI. From 2400'-9042' pressure is 4326 PSI.	6/2/2015
rbela	Well will be drilled vertically to 8468', then be kicked off at approx. 8468' and directionally drilled at 10 degrees per 100' with a 8.75" hole to 9369' MD (9041' TVD). Hole size will then be reduced to 8.5" and drilled to 16395' MD (9032' TVD) where 5.5" casing will be set and cemented 500' into previous casing string. Penetration point of producing zone will be encountered at 1926' FNL and 2209' FWL, Section 23-T24S-R27E. Deepest TVD is 9041' in lateral	6/2/2015
rbela	H2S is not anticipated. C102 will follow by mail.	6/2/2015

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Form APD Conditions

Permit 205310

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: YATES PETROLEUM CORPORATION [25575] 105 S 4TH ST ARTESIA , NM 88210	API Number: 30-015-43163
	Well: HUMIDOR BMO STATE COM #001
OCD Reviewer	Condition