

District I
1625 N. French St., Hobbs, NM 88240
Phone: (575) 393-6161 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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised December 16, 2011

Permit

CORRECTION

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		OGRID Number 025575
Property Code 23123		API Number 30-015-40392
Property Name Crow ASM State Com		Well No 3H

7 Surface Location									
UL - Lot 1	Section 32	Township 16S	Range 28E	Lot Idn	Feet from 1800	N/S Line S	Feet From 200	E/W Line E	County Eddy

8 Pool Information	
Wildcat/Abo CROW FLATS; ABO	97691

Additional Well Information				
Work Type N	Well Type Oil	Cable/Rotary R	Lease Type S	Ground Level Elevation 3598'
Multiple N	Proposed Depth 11,095'	Formation Abo	Contractor	Spud Date ASAP
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19 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#	400'	425	0
Int1	12.25"	9.625"	36#	2000'	675	0
Int2	8.75"	7"	26#	6780'	925	
Prod	6.125"	4.5"	11.6#	11095'	0	

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Wolfcamp and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to surface. Intermediate casing will be set at 2,000' and cement circulated to surface. Second intermediate casing will be set at 6,780' and circulated to surface. A whipstock will then be set at approximately 6,034' and a window milled in the 7" casing where the well will be kicked off at 12 degrees per 100' with a 6 1/8" hole to 11,095' MD with a TVD of 6,415 where a Peak Completion Assembly will be set and will not be cemented. Penetration point of the producing formation will be at 1841' FSL & 689' FEL. Deepest TVD of the well will be in the pilot hole at 6,780', Deepest TVD in the lateral will be 6,531'. MUD PROGRAM 0-400' Fresh Water Gel, 400'-2000' Brine Water, 2000'-5300' Cut Brine, 5300'-6780' Cut Brine (horizontal section), 6054'-11095' Cut Brine (lateral section). H2S is not anticipated. C-144 Attached. C-102 Attached. Previously Approved.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION
Signature Lori Flores	Approved By: T. C. Shepard
Printed name Lori Flores	Title Geologist
Title Land Regulatory Technician	Approved Date 6/12/2012
E-mail Address lorif@yatespetroleum.com	Expiration Date 6/12/2012
Date 5/30/2012	Phone 575-748-4448

CORRECTION
Correction of Expiration Date

1056/14/2012
2014