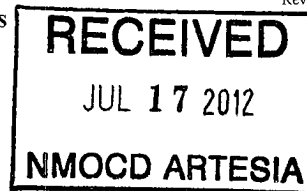


District I  
1625 N French Dr., Hobbs, NM 88240  
Phone (575) 393-6161 Fax (575) 393-0720  
District II  
811 S First St., Artesia, NM 88210  
Phone (575) 748-1283 Fax (575) 748-0720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico

Form C-101  
Revised December 16, 2011

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



Permit

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 S Fourth Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-015-40773
<sup>4</sup> Property Code 37773	<sup>5</sup> Property Name Junior AWW State Com	
		<sup>6</sup> Well No 1

<sup>7</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
K	17	16S	28E	K	1980	S	1980	W	Eddy

<sup>8</sup> Pool Information

Crow Flats Morrow	75720
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Additional Well Information

<sup>9</sup> Work Type N	<sup>10</sup> Well Type Gas	<sup>11</sup> Cable/Rotary R	<sup>12</sup> Lease Type S	<sup>13</sup> Ground Level Elevation 3550'
<sup>14</sup> Multiple N	<sup>15</sup> Proposed Depth 9600'	<sup>16</sup> Formation Morrow	<sup>17</sup> Contractor	<sup>18</sup> Spud Date ASAP
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

<sup>19</sup> Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25"	8 625"	24#	1900'	650	0
Prod	7 875"	4 50"	11 6#	9700'	600	5500'

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Morrow and intermediate formations. Approximately 1900' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM 0-1900' Fresh Water, 1900'-8500' Cut Brine, 8500'-TD Salt/Gel/Starch  
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 ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature: *Lori Flores*

Printed name: Lori Flores

Title: Land Regulatory Technician

E-mail Address: lorif@yatespetroleum.com

Date: 7/16/2012

Phone: 575-748-4448

OIL CONSERVATION DIVISION

Approved By

Title:

Approved Date

Expiration Date

Conditions of Approval Attached

*File subsequent "As Drilled" C-102 on current form*

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources  
**OIL CONSERVATION DIVISION**  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised March 17, 1999

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number <b>30-015-40773</b>		Pool Code <b>75720</b>	Pool Name <b>CROW PLATS</b>	Well Name <b>Wildege Morrow</b>
Property Code <b>37773</b>	Property Name <b>JUNIOR "AWW" STATE COM</b>			Well Number <b>1</b>
OGRID No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORPORATION</b>			Elevation <b>3550.</b>

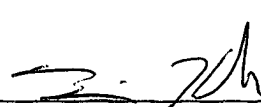
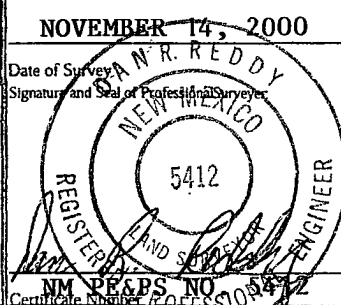
**10 Surface Location**

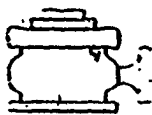
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	17	16-S	28-E		1980	SOUTH	1980	WEST	EDDY

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>320</b>		Joint or Infill		Consolidation Code		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

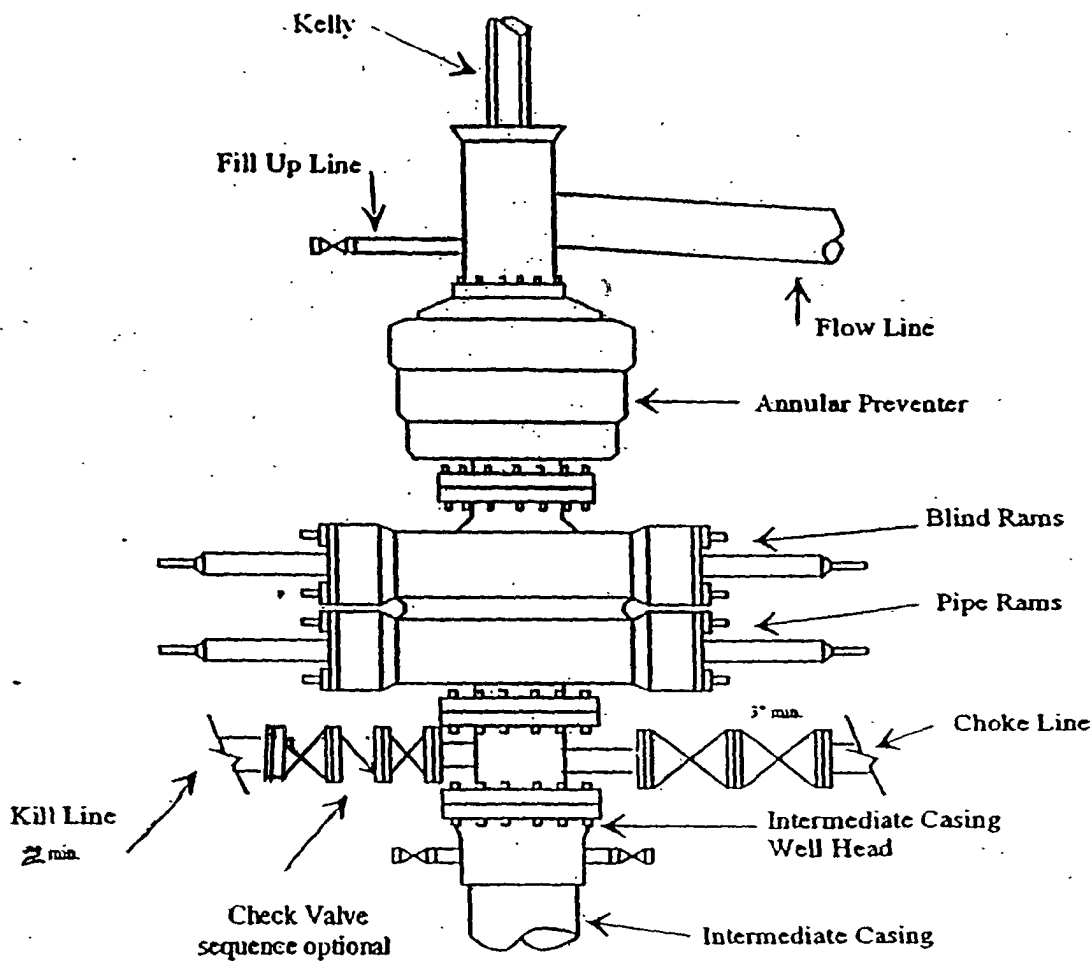
16					<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief   Signature <b>Travis Hahn</b> Printed Name <b>Land Regulatory Agent</b> Title <b>August 20, 2012</b> Date
					<b>18 SURVEYOR CERTIFICATION</b> I 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.  <b>NOVEMBER 14, 2000</b> Date of Survey  Signature and Seal of Professional Surveyor <b>NM REPS NO 472</b> Certificate Number



# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features

