

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) 748-9720
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

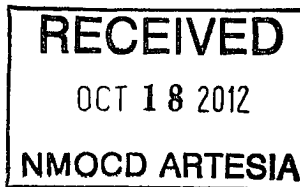
Form C-101
Revised December 16, 2011

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

¹ Operator Name and Address Yates Petroleum Corporation 105 S Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-015-70815
⁴ Property Code 15223 12553	⁵ Property Name Medano VA State	⁶ Well No 18H

⁷ Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	16	23S	31E		280	N	990	E	Eddy

⁸ Pool Information

Los Medanos, Delaware	40297
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type Oil	¹¹ Cable/Rotary R	¹² Lease Type S	¹³ Ground Level Elevation 3363'
¹⁴ Multiple N	¹⁵ Proposed Depth 12485'	¹⁶ Formation Delaware	¹⁷ Contractor	¹⁸ 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 3/8"	48#	600'	300	0
Int1	12 25"	9 6/8"	40#	4100'	1360	0
Prod	7 8/75"	5 5"	17#	12485'	2460	3600

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Delaware and intermediate formations. Approximately 600' of surface casing will be set and cement to surface. Intermediate casing will be set at 3,400' and cement to surface. Second intermediate casing will be set at 4,100' and cement to surface. Well will be drilled vertically to 7,543', at 7,543' well will be kicked off at 12 degrees per 100' with a 8 3/4" hole to 8,293' MD (8,202' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 12,485' MD (8,020' TVD) where a 4 1/2" casing will be set and cemented. If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 12,485' MD (8,020' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be encountered at 757' FNL and 990' FEL, 16-23S-31E. Deepest TVD in the well is 8,020' in the lateral.

MUD PROGRAM 0-600' Fresh Water, 600'-4100' Brine Water, 4100'-7543' Cut Brine, 7543'-12485' Cut Brine (Lateral)

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 NMOC D 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 10/17/2012

Phone 575-748-4448

OIL CONSERVATION DIVISION

Approved By

Title.

Approved Date

Expiration Date

Conditions of Approval Attached

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005

RECEIVED

Submitted to District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

NMOCD ARTESIA

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-015-40815	Pool Code 40297	Pool Name Los Medanos; Delaware
Property Code 15223 12558	Property Name MEDANO "VA" STATE	Well Number 18H
OGRID No. 25575	Operator Name YATES PETROLEUM CORP.	Elevation 3363'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	23 S	31 E		280	NORTH	990	EAST	EDDY

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
P	16	23 S	31 E		330	SOUTH	990	EAST	EDDY

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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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>SURFACE LOCATION Lat - N 32°18'39.59" Long - W 103°46'38.68" NMSPC- N 477318.739 E 713083.631 (NAD-83)</p>	<p>280' 990'</p> <p>4672.2'</p> <p>V-120</p> <p>330'</p> <p>990'</p>	<p>OPERATOR CERTIFICATION</p> <p>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 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.</p> <p><i>Clifton May</i> 10/17/12 Signature Date</p> <p>Clifton May Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>DATE SURVEYED SIGNATURE & SEAL OF PROFESSIONAL SURVEYOR W.C. JONES 7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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