New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop Cabinet Secretary Mark Fesmire
Division Director
Oil Conservation Division



October 26, 2009

YATES PETROLEUM CORPORATION 105 S 4TH ST Artesia, NM 88210

Re:

Parish IV Com #6

Sec.26 T19S R24E

API # 30-015-35442

Caudill RZ #9

Sec.8 T6S R26E

API # 30-005-63278

To whom it may concern:

Please be advised that your permits to drill the referenced well(s) have expired and have been cancelled. If drilling operations have commenced, you should contact this office immediately.

If you wish to drill these well(s) in the future, it will be necessary to submit new Form(s) C101, Application to Drill, and drilling package(s) for review and approval.

Sincerely,

Darold Gray

Field Supervisor, District II

District I

District II
1301 W. Grand Avenue, A
District III
1000 Rio Brazos Post

1000 Rio Brazos Road, Azt ZONES

New Mexico

and Natural Resources Submit to appropriate District Office

Form C-101 May 27, 2004

vation Division St. Francis Dr.

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE 'Operate Name and Address 'YATES PETROLEUM CORPORATION Artesia, New Mexico 88210 Proporty Code 'Proporty Code 'Proporty Code 'Proporty Code 'Proporty Name Part Surface Location 'Proporty Name 'Proposed Pool 1 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 1 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 2 'Proposed Pool 3 'Proposed Pool 2 'Proposed Pool 3 'Proposed Pool 3 'Proposed Pool 4 'Proposed Pool 4 'Proposed Pool 5 'Proposed Pool 5 'Proposed Pool 5 'Proposed Pool 6 'Proposed Pool 6 'Proposed Pool 7 'Proposed Pool 7 'Proposed Pool 7 'Proposed Pool 7 'Proposed Pool 8 'Proposed Pool 8 'Proposed Bottom Hole Location If Different From Surface UL or late a Section Township Range Lot lab Peet from the North North Internation 'Week Type Code 'Proposed Bottom Hole Location If Different From Surface Additional Well Information 'Week Type Code 'N GAS R P P 3644' 'Well Type Code N GAS R P P 3644' 'Well Type Code N GAS R P P 3644' 'Well Type Code N ORTO PETRINED RANGE Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644' 'Well Type Code N N GAS R R P P 3644'	1220 S. St. Fr			OD DEDM	T TA		Fe, NN			N. P. VICE	 .	DD A ZONE	
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UL or lot no. 26 1982 248 Lot Ma Feet from the NORTH 800 EAST Eddy **Proposed Bottom Hole Location In Different From Surface UL or lot no. Section Township Range Lot Ma Feet from the North-South line Feet from the East/West line County **Additional Well Information** **Howelt Type Code GAS Robert Well Information** **P GASS Robert Well Information** **Howelt Type Code GAS Robert Well Information** **P Ground Level Elevation** **Howelt Type Code GAS Robert Well Information** **P Ground Level Elevation** **P Ground Level Elevation** **P Ground Level Elevation** **Speak Date GAS Robert Well Elevation** **P Ground Level Elevation													
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Additional Well Information Work Type Code	⁸ Proposed Bottom Hole Location If Different From Surface												
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Proposed Casing and Cement Program Hole Size	<u>Pit.</u> Liner	Synthetic	☐ <u>12</u> n	nils thick Clay	Pit Vol	ume:bbls	Drilling Method:						
Hole Size Casing Size Casing weight/foot Setting Depth Sacks of Cement Estimated TOC 14 3/2" 9 5/8" 36# 1150' 1000 sx Surface 8 3/4" 7" 23# & 26# TD 1250 sx As warranted 22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any Use additional sheets if necessary Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 1150' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. MUD PROGRAM: 0-1150' FW Gel/LCM; 1150'-5200 FW'; 5200-7300' Cut Brine; 7300'-TD Cut Brine/Starch/KCL. BOPE PROGRAM: 3000# BOP will be installed on the 9 5/8" casing and tested daily for operational. Contingency plan per Rule 118 attached. 23 I hereby certify that the information given above is true and complete to the best of my knowledge and behef. I further certify that the drilling pit will be constructed according to NMoCD guidelines a general permit , or an (attached) alternitive OCD-approved plan . Signature: Due to APD Expiration Date													
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