

District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED
Submitted to appropriate District Office
APR 16 2010 ☐ AMENDED REPORT
NMOCD ARTESIA

**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 Property Code 12331 | ⁵ Property Name Greasewood BD State Com | ³ API Number 30 - 015-37789 |
| ⁹ Proposed Pool 1 Wildcat Chester | | ⁶ Well No. 11 |
| ⁹ Proposed Pool 1 | | ¹⁰ Proposed Pool 2 |

7 Surface Location

| UL or lot no | Section | Township | Range | Lot Idn | Feet from the 840' | North/South line North | Feet from the 1350' | East/West line West | County |
|--------------|---------|----------|-------|---------|-----------------------|---------------------------|------------------------|------------------------|--------|
| C | 6 | 19S | 25E | | | | | | Eddy |

8 Proposed 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 |
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

Additional Well Information

| | | | | |
|-----------------------------------|---------------------------------------|------------------------------------|------------------------------------|---|
| ¹¹ Work Type Code N | ¹² Well Type Code Gas | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3647' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 9000' | ¹⁸ Formation Chester | ¹⁹ Contractor | ²⁰ Spud Date ASAP |

21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17.5" | 13.375" | 48# | 400' | 450 | 0 |
| 12.25" | 8.625" | 24# | 1200' | 600 | 0 |
| 7.875 | 5.5 | 17# | 9000' | 1600 | 700 |
| | | | | | |
| | | | | | |

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.

23

Yates Petroleum Corporation proposes to drill/test the Chester and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and carvings. If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production.

MUD PROGRAM: 0-400' FW/Native Mud; 400'-1200' Fresh Water, 1200'-8200' Cut Brine; 8200'-9000' Salt Gel/Starch/KCL

BOPE PROGRAM: A 3000# BOPE will be installed on the 8.625" casing and tested daily

H2S is not anticipated.

C-144 attached.

(Previously Approved APD # 30-015-32822)

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature:

Cy Cowan

Printed name:
Cy Cowan

Title:
Land Regulatory Agent

E-mail Address:
cy@yatespetroleum.com

Date:
4/15/2010

Phone:
575-748-4372

OIL CONSERVATION DIVISION

Approved by

Reggie Rees
Geologist

Title:

Approval Date:

5/3/2010

Expiration Date:

5/3/2012

Conditions of Approval Attached ☐

DISTRICT I

1636 N. French Dr., Hobbs, NM 88340

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 and Natural Resources Department

Form C-102

Revised March 17, 1989

Instruction on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|--|------------------------------|
| API Number 30-015-37789 | Pool Code | Pool Name Wildcat Chester |
| Property Code | Property Name Greasewood BD State Com | Well Number 11 |
| OGRID No. 025575 | Operator Name YATES PETROLEUM CORPORATION | Elevation 3647' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| Lot 3 | 6 | 19S | 25E | | 840 | North | 1350 | West | 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 |
|------------------------|-----------------|--------------------|-----------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |
| Dedicated Acres 320 | 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

| | | |
|--|--|--|
| | OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. | |
| | Signature Cy Cowan Printed Name Land Regulatory Agent Title 4-15-10 Date | |
| | SURVEYOR CERTIFICATION 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. | |
| | REFER TO ORIGIANAL PLAT Date Surveyed Signature & Seal of Professional Surveyor Certificate No. | |

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State of New Mexico
Energy, Minerals & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco
Santa Fe, N M 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

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|---------------|--|--------------------------|
| API Number | Pool Code | Pool Name |
| Property Code | Property Name GREASEWOOD BD STATE COM | Well Number 11 |
| OGRID No. | Operation Name YATES PETROLEUM CORPORATION | Elevation 3647 |

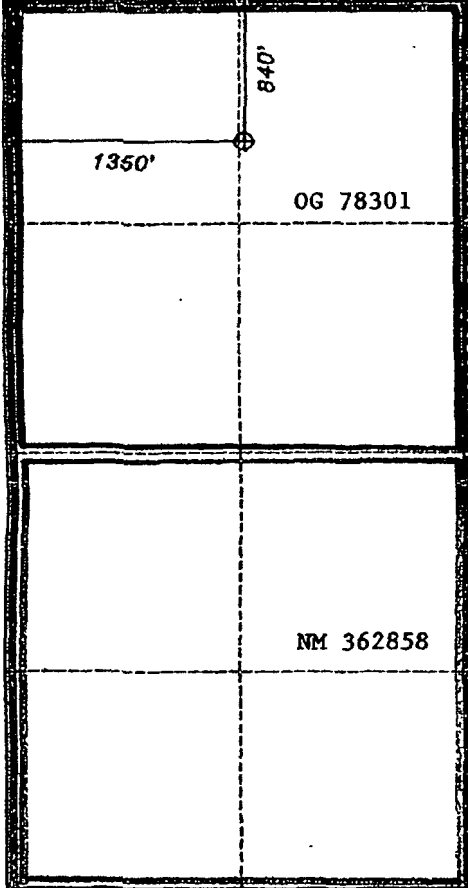
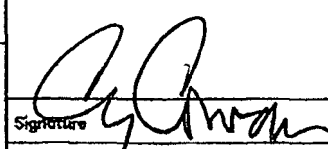
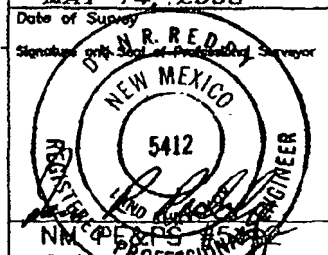
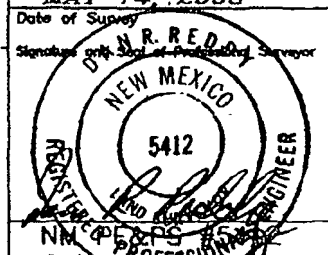
Surface Location

| | | | | | | | | | |
|-------------------------------|---------------------|-------------------------|----------------------|----------|-----------------------------|----------------------------------|------------------------------|-------------------------------|-----------------------|
| UL or Lot No. LOT 3 | Section 6 | Township 19-S | Range 25-E | Lot Idn. | Feet from the 840 | North/South line NORTH | Feet from the 1350 | East/West line WEST | County 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 |
| Dedicated Acres 320 | Joint or Infill | Consolidation Code | Order No. | | | | | | |

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|--|---|
|  | OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. |
| | Signature  |
| | Printed Name Cy Cowan |
| | Title Regulatory Agent |
| | Date 3/20/2006 |
| | SURVEYOR CERTIFICATION I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION, AND THAT THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF. |
| | Date of Survey MAY 14, 2003 |
| | Signature of Registered Surveyor  |
| |  |
| | Certificate Number 5412 |