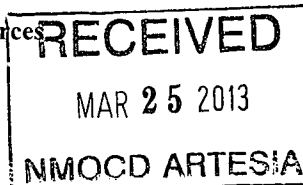


District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
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

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

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30-015-28355
<sup>4</sup> Property Code 12863	<sup>5</sup> Property Name Vandiver CN Com	<sup>6</sup> Well No. 2

**<sup>7</sup> Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	18	18S	26E		1242	North	808	East	Eddy

**<sup>8</sup> Pool Information**

Atoka, Penn	70800
-------------	-------

**Additional Well Information**

<sup>9</sup> Work Type P	<sup>10</sup> Well Type G	<sup>11</sup> Cable/Rotary N/A	<sup>12</sup> Lease Type Fee	<sup>13</sup> Ground Level Elevation 3410'GL
<sup>14</sup> Multiple N	<sup>15</sup> Proposed Depth N/A	<sup>16</sup> Formation Morrow	<sup>17</sup> Contractor N/A	<sup>18</sup> Spud Date N/A
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
REFER TO ORIGINAL COMPLETION						

**Casing/Cement Program: Additional Comments**

Yates Petroleum Corporation plans to plugback and recompleat this well as follows: NU BOP. Rig up all safety equipment as needed. POOH with tubing and packer. Pull RBP at 8600'. Set a CIBP at 8611' with 35' cement on top. Set a 2<sup>nd</sup> CIBP at 8152' with 35' cement on top. Pressure test casing to 500 psi and pull GR/CCL/CBL log to surface. Perforate Canyon 7631'-7778' (60). TIH with tubing and packer. Acidized with 2000g 15% HCL with a gas surfactant package and iron control additives for 10,000 ppm. Pump acid away at 4-5 BPM while limiting the surface treating pressure to 5000 psig. Drop 90 ball sealers spaced out evenly throughout the acid. Flush to bottom perf with 2% KCL water. Swab test and evaluate, consider turning well over to production. Wellbore schematics attached.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Manual BOP	3000 psi	3000 psi	Whichever company is available

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 ☐. YPC uses steel tanks only.

Signature:

Printed name: Tina Huerta

Title: Regulatory Reporting Supervisor

E-mail Address: tinah@yatespetroleum.com

Date: March 21, 2013

Phone: 575-748-4168

**OIL CONSERVATION DIVISION**

Approved By:

Title:

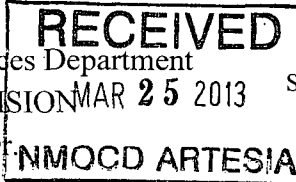
Approved Date: 3/27/2013

Expiration Date: 3/27/2015

Conditions of Approval Attached

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505



Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-28355</b>	<sup>2</sup> Pool Code <b>70800</b>	<sup>3</sup> Pool Name <b>Atoka; Penn</b>
<sup>4</sup> Property Code <b>12863</b>	<sup>5</sup> Property Name <b>Vandiver CN Com</b>	<sup>6</sup> Well Number <b>2</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	<sup>9</sup> Elevation <b>3410'GR</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>18</b>	<b>18S</b>	<b>26E</b>		<b>1242</b>	<b>North</b>	<b>808</b>	<b>East</b>	<b>Eddy</b>

<sup>11</sup> 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

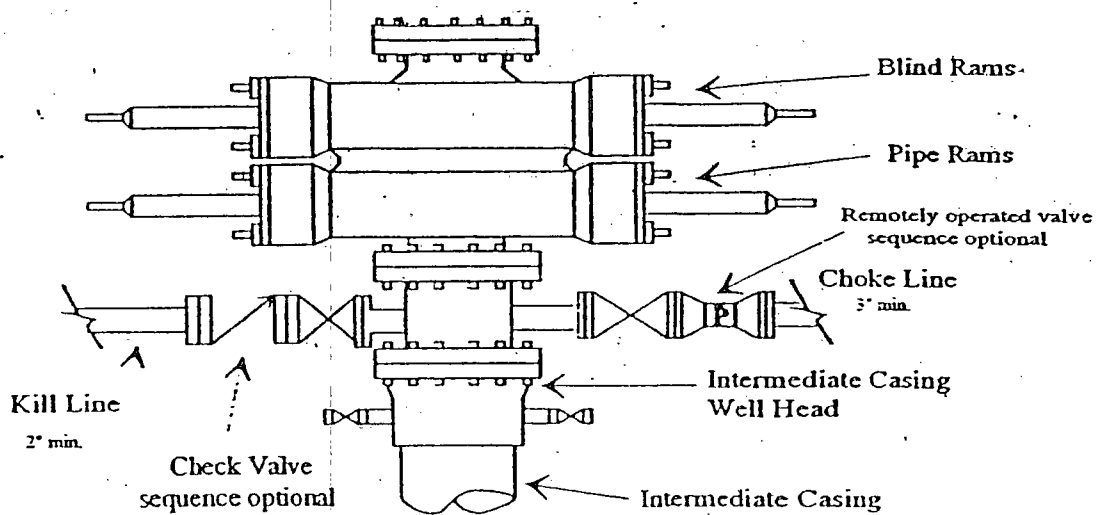
<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill <b>3/17.32</b>	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

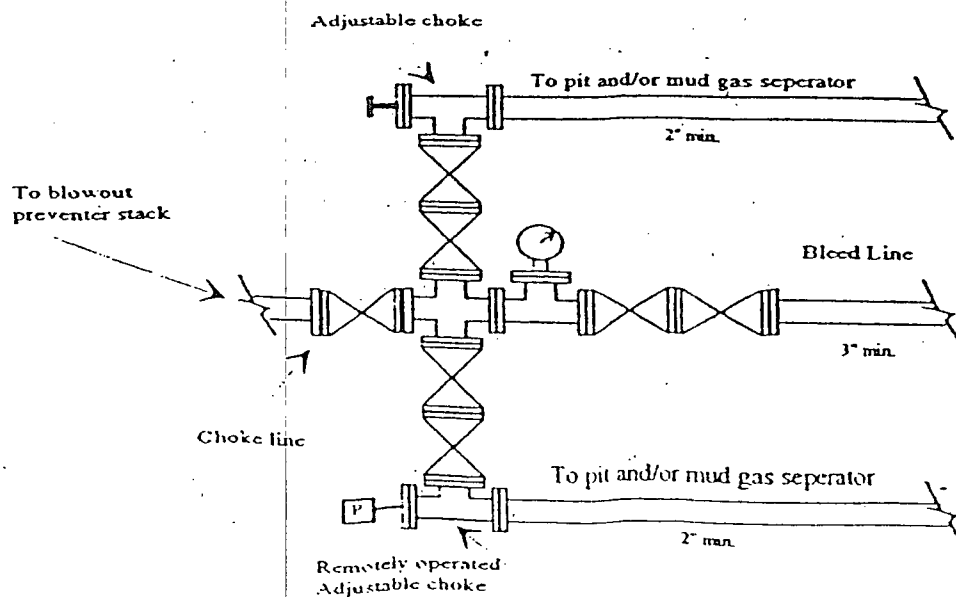
<sup>16</sup> <b>38.67</b>					<b>1242' N</b>	<b>808' E</b>	<b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this 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.</i>  Signature March 21, 2013 Date Tina Huerta Printed Name tina@yatespetroleum.com E-mail Address
<b>38.65</b>							<b>18 SURVEYOR CERTIFICATION</b> <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number

# Yates Petroleum Corporation

## Typical 3,000 psi Pressure System Schematic



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



WELL NAME: Vandiver CN Com #2 FIELD: Eagle Creek

LOCATION: 1,242' FNL & 808' FEL of Section 18-18S-26E Eddy Co., NM

GL: 3,410' ZERO: 18' KB: 3,428'

SPUD DATE: 08/16/95 COMPLETION DATE: 12/04/02

COMMENTS: API No.: 30-015-28355

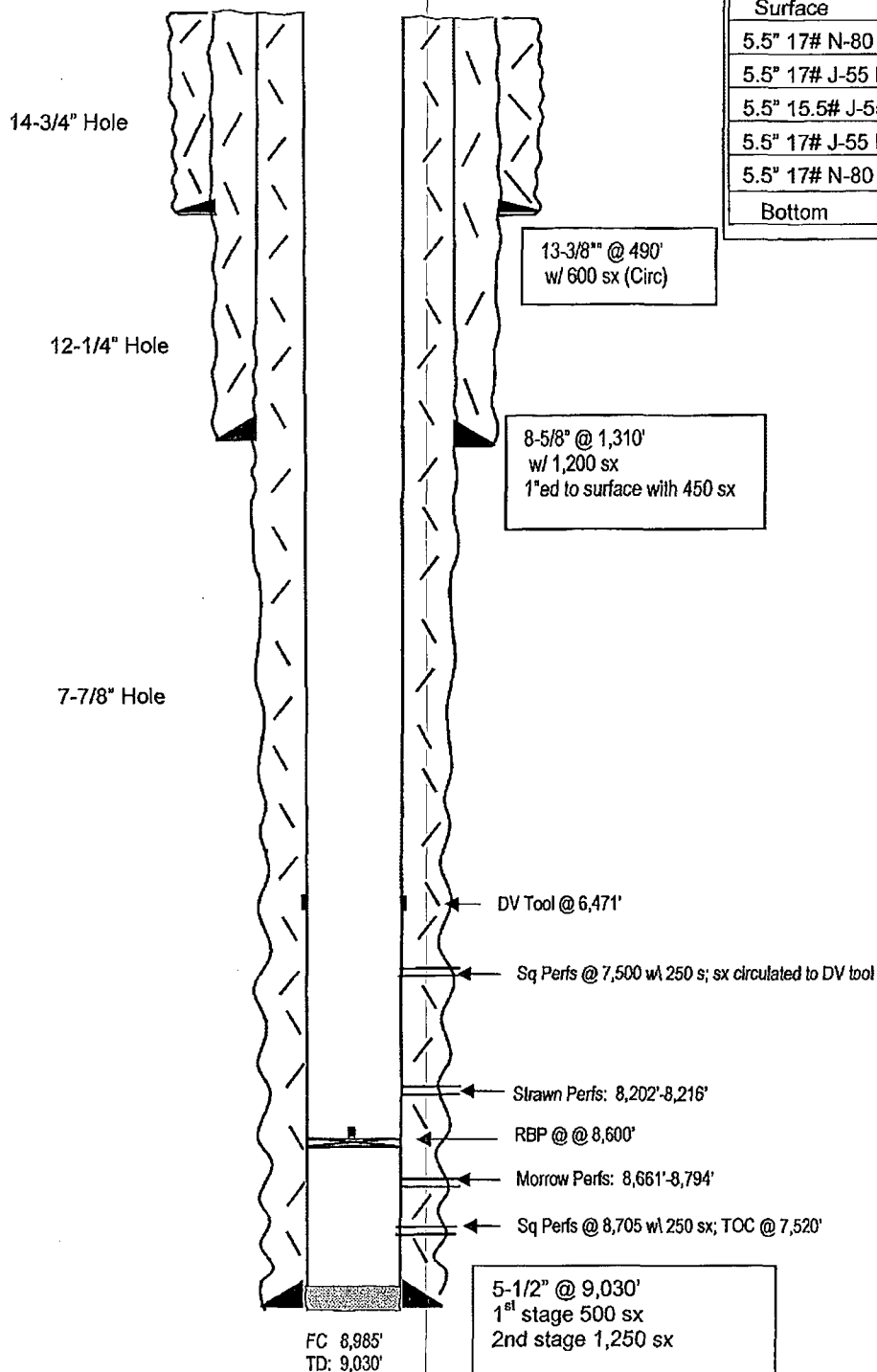
### CASING PROGRAM

13-3/8" 54.5# J-55	490'
8-5/8" 24# J-55	1,310'
Surface	
5.5" 17# N-80 LT&C 554'	
5.5" 17# J-55 LT&C 941'	
5.5" 15.5# J-55 LT&C 5,281'	
5.5" 17# J-55 LT&C 1,875'	
5.5" 17# N-80 LT&C 381'	9,030'
Bottom	

## Before

### TOPS

SA	888'
Glorieta	2,173'
Tubb	3,702'
Abo	4,326'
Wolfcamp	5,508'
Canyon	7,538'
Strawn	7,927'
Atoka	8,358'
Morrow	8,618'



Not to Scale  
01/14/13  
JMH

WELL NAME: Vandiver CN Com # 2 FIELD: Eagle Creek  
 LOCATION: 1,242' FNL & 808' FEL of Section 18-18S-26E Eddy Co., NM  
 GL: 3,410' ZERO: 18' KB: 3,428'  
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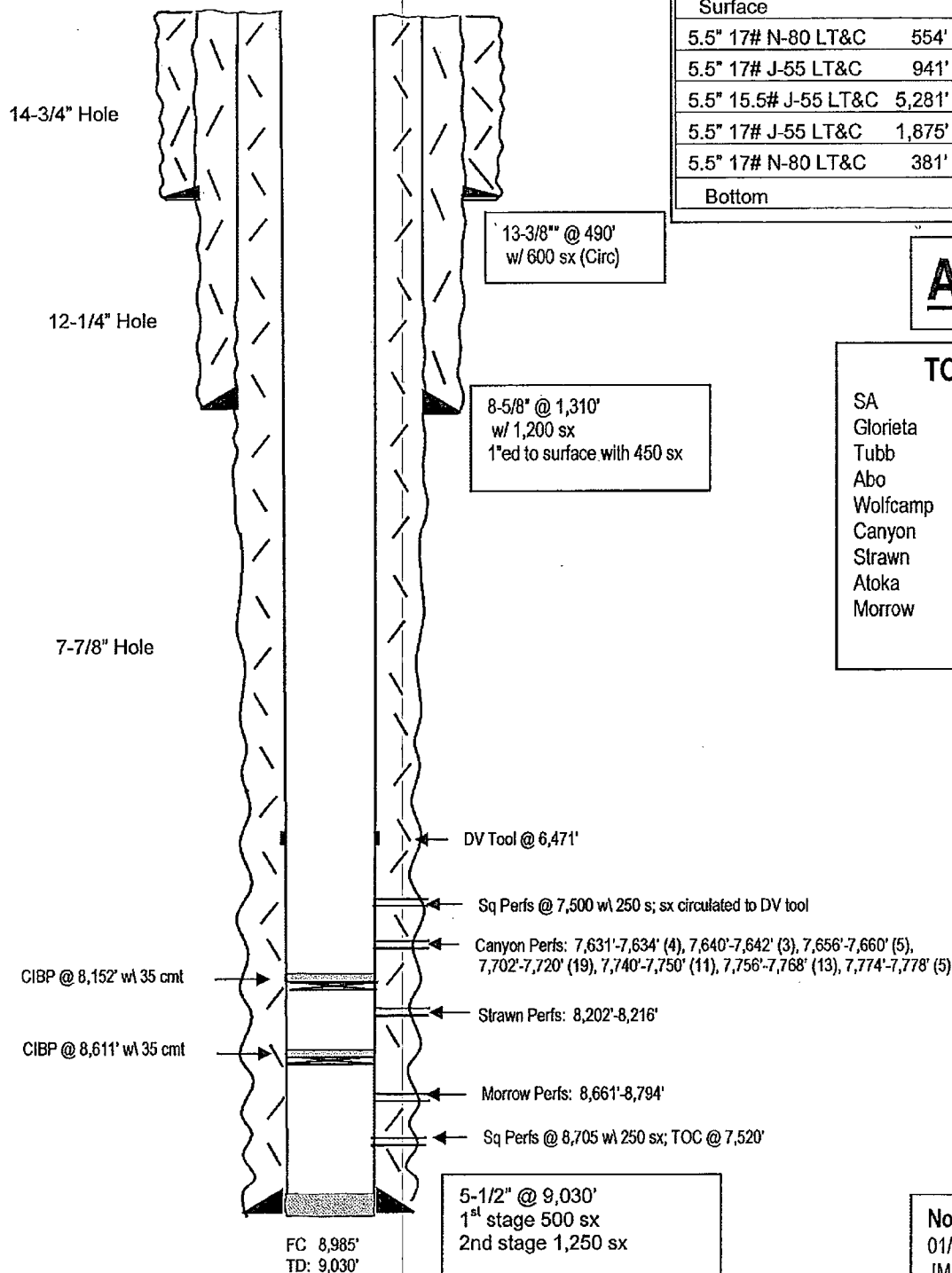
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**After**

## TOPS

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Not to Scale  
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 JMH