

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

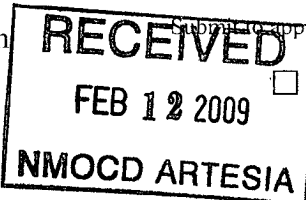
District IV

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

Submit to appropriate District Office

☐ AMENDED REPORT**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 32246		³ API Number 30 - 015 - 37812
⁵ Property Name Cigar BCM State Corn		⁶ W 1
⁹ Proposed Pool 1 Undesignated Black River Morrow		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	23S	27E		660'	South	660'	West	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
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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 3138'
¹⁶ Multiple N	¹⁷ Proposed Depth 12900'	¹⁸ Formation Mississippian Limestone	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
17.25"	13.75"	48#	500'	500	0
12.25"	9.625"	36#	2300'	1100	0
8.625"	7"	26#	10500'	1650	1850'
6.125"	4.5"	11.6#	12900'	400	10000'

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 Mississippian and intermediate formations. Approximately 500' 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: 0-500' Fresh Water Gel, 500'-2350' Brine, 2350'-10300' Brine, 10300'-12900' Polymer.

BOPE PROGRAM: A 5000# BOPE will be installed on the 9 625" casing and tested daily.

H2S is not anticipated for this well

C-102 attached.

C-144 attached

(Previously Approved APD # 30-015-32751)

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

Signature

Printed name:
Cy Cowan

Title
Land Regulatory Agent

E-mail Address
cy@yatespetroleum.com

Date
2/10/10

Phone
575-748-4372

OIL CONSERVATION DIVISION

Approved by:

Title:

Geologist

Approval Date:

5/13/2010

Expiration Date:

5/13/2012

Conditions of Approval Attached ☐

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-37812		² Pool Code 72170		³ Pool Name Undesignated Black River Morrow	
⁴ Property Code 32246		⁵ Property Name Cigar BCM State Com			⁶ Well Number 1
⁷ OGRID No. 025575		⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3138'

¹⁰ Surface Location

UL or lot no.	Section	Townshi	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	36	23S	27E		660	South	660	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

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

¹⁶ <div> <div>VA-1883</div> <div>VA-1884</div> <div> 660' <div>660'</div> </div> </div>				¹⁷ OPERATOR CERTIFICATION 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 <div> <div>Cy Cowan</div> <div>2/10/10</div> </div> <div> <div>Signature</div> <div>Date</div> </div> <div> <div>Cy Cowan</div> <div>Printed Name</div> </div>	
				¹⁸ 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 ORIGINAL PLAT <div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> </div> <div> <div>Certificate Number</div> </div>	

District 1
1835 N. French Dr. Hobbs, NM 88240

District 2
811 South First, Artesia, NM 88210

District 3
1000 N. Grassie Rd., Aztec, NM 87410

District 4
2040 South Pacheco, Santa Fe, NM 87505

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

ADR Number		Pool Name Black River Morrow	
Property Code	Property Name CIGAR BCM STATE COM		Well Number 1
OGRI No. 025575	Operation Name YATES PETROLEUM CORPORATION		Elevation 3138

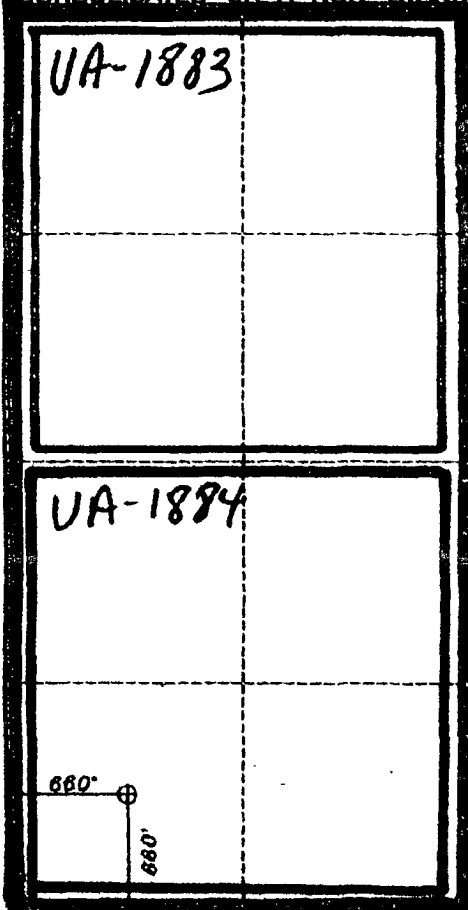
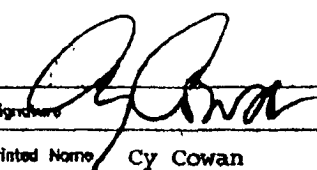
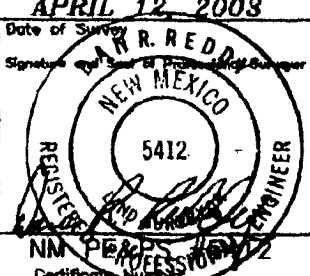
Surface Location

UL or Lot No. M	Section 36	Township 23-S	Range 27-E	Lot No.	Feet from the 660	North/South line SOUTH	Feet from the 660	East/West line WEST	County EDDY
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Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot No.	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 DMISION

	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 February 9, 2006	
	SURVEYOR CERTIFICATION I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS LOCATED 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 KNOWLEDGE AND BELIEF.	
	APRIL 12, 2003	
	Date of Survey	
	Signature and Seal of Professional Engineer	
		
	NM PEARD 5412	
	Certificate Number	