

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 August 1, 2011

HOBBS OCD

Permit

NOV 18 2011

RECEIVED

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30-025-40344
⁴ Property Code 34420	⁵ Property Name Kookaburra AZB State Com	⁶ Well No. 3

⁷ Surface Location

UL - Lot C	Section 24	Township 12S	Range 34E	Lot Idn	Feet from 660'	N/S Line N	Feet From 1650'	E/W Line W	County Lea
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⁸ Pool Information

Wildcat Mississippian Four Lakes Austin South (GAS)	97164
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Additional Well Information

⁹ Work Type N	¹⁰ Well Type G	¹¹ Cable/Rotary	¹² Lease Type S	¹³ Ground Level Elevation 4136'
¹⁴ Multiple N	¹⁵ Proposed Depth 12,575'	¹⁶ Formation Mississippian Age Rocks Undivided	¹⁷ Contractor Not Determined	¹⁸ Spud Date
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
Surface	17.5	13.375	48#	400'	400	0
Intermediate	12.25	9.625	40#	4200'	1450	0
Production	8.75	5.5	17#	12575	2650	3700

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill and test the Mississippian/intermediate formation. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4200', cement circulated to surface. If commercial, production casing will be ran and cemented, perforated and stimulated as needed to get production.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000#	5000#	

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 NMOCD guidelines ☐, a general permit ☐, or an (attached) alternative OCD-approved plan ☒.

Printed name: Monti Sanders

Title: Land Regulatory Technician

E-mail Address: montis@yatespetroleum.com

Date: 11/17/11

Phone: 575-748-4244

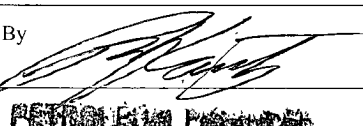
OIL CONSERVATION DIVISION

Approved By

Title

Approved Date

Conditions of Approval Attached


PETROLEUM ENGINEER

DEC 01 2011

Expiration Date
DEC 01 2013

Permit Expires 2 Years From Approval Date Unless Drilling Underway

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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

HOBBS OCD

RECEIVED

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40344	² Pool Code 92164	³ Pool Name Four Lakes Wildcat Mississippian	⁴ Property Code 34420	⁵ Property Name Kookaburra AZB State Com	⁶ Well Number 3
⁷ OGRID No. 25575	⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 4136'	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	12S	34E		660'	North	1650'	West	Lea

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.

	<p>¹⁷ 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 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</p> <p><i>Monti Sanders</i> 11/17/11 Signature Date</p> <p>Monti Sanders Printed Name</p> <p>montis@yatespetroleum.com E-mail Address</p>

DISTRICT I

1626 N. French Dr., Hobbs, NM 88240

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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, 1999

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 30-025-39298	Pool Code /	Pool Name Wildcat Mississippian
Property Code 34420	Property Name KOOKABURRA "AZB" STATE COM.	Well Number 3
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4137

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	24	12S	34E	.	660	NORTH	1650	WEST	LEA

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 <i>Debbie L. Caffal</i>	
	Printed Name Regulatory Agent	
	Date November 7, 2008	
	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.	
	Date Surveyed 12/09/2004	
	Signature & Seal of Professional Surveyor 	
	Certificate No. Herschel L. Jones RLS 3640 KOOKABURRA GENERAL SURVEYING COMPANY	