

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

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AUG 25 2009

HOBSOCD

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 34987		³ API Number 30-025-39505
⁵ Property Name Vaughn BGZ		⁶ Well No 1
⁹ Proposed Pool 1 Wildcat Undesignated Mississippian		¹⁰ Proposed Pool 2

⁷ Surface Location									
UL or lot no J	Section 19	Township 9S	Range 34E	Lot Idn	Feet from the 1980'	North/South line South	Feet from the 1980'	East/West line East	County Lea

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

¹¹ Work Type Code N					¹² Well Type Code Gas		¹³ Cable/Rotary R		¹⁴ Lease Type Code Private		¹⁵ Ground Level Elevation 4309'	
¹⁶ Multiple N		¹⁷ Proposed Depth 12,400'			¹⁸ Formation Mississippian			¹⁹ Contractor		²⁰ Spud Date ASAP		

²¹ Proposed Casing and Cement Program

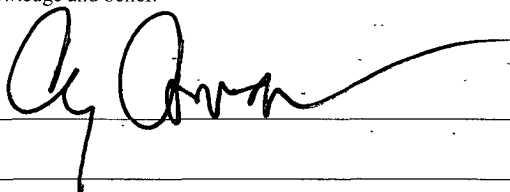
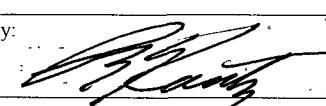
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5"	13.375"	48#	400'	400	0
12.25"	9.625"	40#	4100"	1400	0
8.75	5.5"	17#	12400	2650	3600

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 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/Spud Mud, 400'-2,120' Fresh Water, 2,120'-4,100' Red Bed Mud/Oil, 4,100'-7,700' Cut Brine, 7,700'-11,555' Salt Gel/Oil/Starch, 11,555'-TD Sgel/Starch 4-6% KCL
BOPE PROGRAM A 5000# BOPE will be installed on the 9 625" casing and tested daily for operational
No H2S is anticipated
C-102 Attached
C-144 Attached
Previously Approved (30-025-38538)

**Permit Expires 7 Years From Approval
Date Unless Drilling Underway**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Cy Cowan		Title: PETROLEUM ENGINEER	
Title: Land Regulatory Agent		Approval Date: AUG 26 2009	Expiration Date:
E-mail Address: cy@yatespetroleum.com		Conditions of Approval Attached <input type="checkbox"/>	
Date: 8/24/09	Phone: 575-748-4372		

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AUG 25 2009

HOBBSON

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code ✓	Pool Name Undesignated Mississippi
Property Code 34987	Property Name VAUGHN "BGZ"	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4309

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	19	9S	34E		1980	SOUTH	1980	EAST	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	Joint or Infill	Consolidation Code	Order No.
320			

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

		FEE	
		N.33°31'03.2" W.103°30'07.0" N.916798.2 E.753546.5 (NAD-27)	1980'
		1980'	

OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Cy Cowan
Signature
Cy Cowan
Printed Name
Land Regulatory Agent
Title
8/24/09
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.

7/29/2005
Date Surveyed
Signature & Seal of Professional Surveyor
HERSCHEL JONES
NEW MEXICO
8840
Certificate No. Herschel Jones RLS 3640
VAUGHN "BGZ"
GENERAL SURVEYING COMPANY
SESSION

0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'