

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

RECEIVED
FEB 05 2010
HOBBSOCD

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South 4 th Street Artesia, NM 88210		² OGRID Number 025575
³ Property Code 34586	⁵ Property Name PATSY STATE UNIT	³ API Number 30 - 005-29121
⁹ Proposed Pool 1 Undesignated Mississippian		⁶ Well No 7
¹⁰ Proposed Pool 2		

7 Surface Location

UL or lot no O	Section 35	Township 11S	Range 31E	Lot Idn	Feet from the 660	North/South line S	Feet from the 1980	East/West line E	County Chaves
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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 New Well	¹² Well Type Code Gas	¹³ Cable/Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 4450
¹⁶ Multiple N	¹⁷ Proposed Depth 11,300'	¹⁸ Formation Lower Mississippian Lime	¹⁹ Contractor	²⁰ Spud Date 2/26/2010

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14.75	11.75	42	400	275	
11	8.625	24	3650	1025	
7.875	5.5	17	11300	1325	3150

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.

Yates Petroleum Corporation proposes to drill and test the Mississippian/Intermediate formations. Approximately 400' of surface casing will be set/cement circulated to shut off gravel and cavings. Intermediate casing will be set @ 3650', cement circulated to the surface. If commercial, production casing will be ran and cemented, perforated, and stimulated as needed for production.

BOPE PROGRAM A 5000# Double Ram BOPE will be installed on the 8 5/8" casing and tested daily for operational.

MUD PROGRAM 0-400' FW Gel, 400'-1460' FW; 1460'-3650' Red Bed Mud/Oil, 3650'-7200' Cut Brine, 7200'-10500' SW Gel/Starch; 10500'-11000' SW Gel/Starch/4-6% KCL; 11000'-11300'/TD SW Gel/Starch/4-6% KCL

H2S is not anticipated

C-102 Attached.

A Closed Loop System will be used, C-144 Attached.

Previously Approved

**Permit Expires 2 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

Signature.

Clifton May

Printed name
Clifton May

Title
Land Regulatory Agent

E-mail Address.
cliff@yatespetroleum.com

Date
2/4/10

Phone:
575-748-4347

OIL CONSERVATION DIVISION

Approved by.

[Signature]
PETROLEUM ENGINEER

Approval Date

FEB 12 2010

Expiration Date.

Conditions of Approval Attached ☐

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised October 15, 2009

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name Undesignated Mississippian
Property Code	Property Name PATSY "BPI" STATE	Well Number 7
OGRID No.	Operator Name YATES PETROLEUM CORP.	Elevation 4450'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	35	11 S	31 E		660	SOUTH	1980	EAST	CHAVES

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.
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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>VA-2123</p> <p>SURFACE LOCATION Lat - N 33°18'55.44" Long - W 103°47'24.30" NMSPC - N 842722.271 E 707291.128 (NAD-83)</p> <p>660'</p> <p>1980'</p>	<p>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>Clifton May</i> 2/4/10 Signature Date Clifton May Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p><i>Gary L. Jones</i> Date Surveyed Signature & Seal of Professional Surveyor 7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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