

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

RECEIVED

MAR 12 2010

HOBBSOCD

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**

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 S. Fourth Street Artesia, NM 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number <b>30-005-29130</b>
<sup>3</sup> Property Code <b>36457</b>	<sup>5</sup> Property Name TILLIS BJZ	<sup>6</sup> Well No. 1
<sup>9</sup> Proposed Pool 1 Mississippian		<sup>10</sup> Proposed Pool 2

**7 Surface Location**

UL or lot no A	Section 34	Township 11S	Range 31E	Lot Idn	Feet from the 990'	North/South line NORTH	Feet from the 660'	East/West line EAST	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**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code Gas	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code Private /	<sup>15</sup> Ground Level Elevation 4455'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 11,350'	<sup>18</sup> Formation Mississippian Age Rocks Undivided	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP

**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	0
11"	8.625"	24#	3600"	1000	0
7.875	5.5"	17#	11350	1375	0

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/Gel; 400'-1450' FW. 1450'-3600' Red Bed Mud/Oil, 3600'-7100' Cut Brine, 7100'-10460' SWGel/Starch, 10460'-11000' SWGel/Starch 4-6% KCL.

BOPE PROGRAM A 5000# BOPE will be installed on the 8 625" casing and tested daily for operational. Wellhead 11"X8 5/8" SOW with baseplate. No H2S is anticipated.

C-102 Attached

C-144 Attached

Previously Approved (30-005-27958)

**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  
3/11/10

Phone  
575-748-4347

**OIL CONSERVATION DIVISION**

Approved by:

*[Signature]*

Title

**PETROLEUM ENGINEER**

Approval Date:

**APR 21 2010**

Expiration Date

**OPERATOR; Please do not report production under this pool code until you have checked with the OCD District I Geologist Paul Kautz, and he confirms where your perms are producing from and gives you the correct pool code.**

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## State of New Mexico

Energy, Minerals &amp; Natural Resources Department

## OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-005-29130</b>	<sup>2</sup> Pool Code <b>96039</b>	<sup>3</sup> Pool Name Mississippian <b>Wildcat</b>
<sup>4</sup> Property Code <b>36457</b>	<sup>5</sup> Property Name <b>TILLIS BJZ</b>	<sup>6</sup> Well Number <b>1</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>YATES PETROLEUM CORPORATION</b>	<sup>9</sup> Elevation <b>4455'</b>

<sup>10</sup> Surface Location

UL or lot no. <b>A</b>	Section <b>34</b>	Township <b>11S</b>	Range <b>31E</b>	Lot Idn	Feet from the <b>990'</b>	North/South line <b>North</b>	Feet from the <b>660'</b>	East/West line <b>East</b>	County <b>Chaves</b>
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<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 N/2</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> 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. Signature <u>Clifton May</u> Date <u>3/10/10</u> Printed Name <u>Clifton May</u>	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> 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 of Survey _____ Signature and Seal of Professional Surveyor _____ <b>REFER TO ORIGINAL PLAT</b> Certificate Number _____	

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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 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-05-27958	Pool Code	Pool Name Mississippian
Property Code	Property Name TILLIS "BJZ"	Well Number 1
OGED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4455

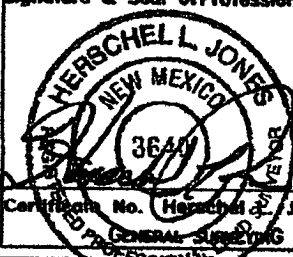
#### Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	34	11S	31E		990	NORTH	660	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 N/2 320		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

		N.33.325222" W.103.802556" X=846257.8 N Y=662137.4 E (NAD-27)		0.660 0-880'		<b>OPERATOR CERTIFICATION</b> 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 undivided mineral interest in the land including the proposed bottom hole 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. 6/11/2007 Signature: <u>Debbie L. Caffall</u> Date: _____ Printed Name: <u>Debbie L. Caffall</u>	
Fee - Multiple						<b>SURVEYOR CERTIFICATION</b> 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. 4/16/2007 Date Surveyed: _____ Signature & Seal of Professional Surveyor:	
						 Certificate No. <u>Herschel L. Jones 3640</u>	