

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
MAY 20 2010

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 API Number 30 - 025-39754
³ Property Code 27836 25268	⁵ Property Name Taco AUK State	⁶ Well No 4
⁹ Proposed Pool Wildcat Wolfcamp ✓		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
H	10	10S	34E		1980'	North	990'	East	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
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Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code Oil	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4193'
¹⁶ Multiple N	¹⁷ Proposed Depth 9250'	¹⁸ Formation Wolfcamp	¹⁹ Contractor Not Determined	²⁰ 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'	250	Surface
11"	8.625"	32#	4150'	1100	Surface
7.875"	5.5"	17#	9250'	925	3650

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 and test the Wolfcamp and intermediate formations Approximately 400' of surface casing will be set and cement circulated to shut off gravel and carvings. Intermediate casing will be set at 4150', cement circulated to surface If commercial, production casing will be run and cemented, well perforated and stimulate as needed for production

MUD PROGRAM: 0-400' FW Gel, 400'-2180' FW; 2180'-4150' Red Bed Mud/Oil, 4150'-7700' Cut Brine; 7700'-9250' SW Gel/Starch

BOPE PROGRAM: A 5000# BOPE will be installed on the 9.625casing and tested daily for operational

No H2S is anticipated.

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:

Cliff May for Cy Cowan

Printed name:
Cy Cowan

Title:
Land Regulatory Agent

E-mail Address:
cy@yatespetroleum.com

Date:
3/29/10

Phone:
575-748-4372

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title
PETROLEUM ENGINEER

Approval Date MAY 27 2010

Expiration Date.

CONDITION OF APPROVAL FOR APD'S

"Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string "

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HOBBSON

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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 30-025-39754	Pool Code 96037	Pool Name Wildcat Wolfcamp
Property Code 25268	Property Name TACO "AUK" STATE	Well Number 4
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4198

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	10	10S	34E		1980	NORTH	990	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 40	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

<p>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 perfs are producing from and gives you the correct pool code.</p>	<p>1980'</p>	<p>N.33°27'47.9" W.103°26'46.3" N.897238.3 E.770566.7 (NAD-27)</p>	<p>990'</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 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> Signature _____ Date <u>May 3/29/10</u></p> <p>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><u>4/25/2007</u> Date Surveyed _____</p> <p>Signature _____ Professional Surveyor</p> <p>HERSCHEL L. JONES REGISTERED PROFESSIONAL SURVEYOR NEW MEXICO 3640</p> <p>Certification of _____ GENERAL SURVEYING</p>			