

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

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 30 - 025-40092
<sup>3</sup> Property Code 12519	<sup>5</sup> Property Name LOTUS ALT State	<sup>6</sup> Well No. 7
<sup>9</sup> Proposed Pool 1 Livingston Ridge Delaware, SE.		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the 1980'	North/South line South	Feet from the 1650'	East/West line West	County Lea
K	32	22S	32E						

<sup>8</sup> 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

Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code Oil	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3531'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8600'	<sup>18</sup> Formation Bone Springs	<sup>19</sup> Contractor	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48	850'	500	0
11	8.635	32	4500'	1400	0
7.875	5.5	17	8600'	1475	5500

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 Delaware and intermediate formations. Approximately 850' of the surface casing will be set and cement circulated. Intermediate casing will be set at 4500' cement circulated to surface. If commercial, production casing will be run/cemented, will perforate and stimulate as needed for production. MUD PROGRAM: 0-850' FW/Native Mud; 850-4500' Brine; 4500-8400' Cut Brine; 8400'-TD Cut Brine/Starch. BOPE PROGRAM: a 3000# BOPE will be installed on the 8 5/8" casing and tested daily for operational. Sources at Yates Petroleum Corporation have relayed information to me that they will not be enough H2S found from the surface through the Bone Spring formation meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

C-102 ATTACHED

C-144 ATTACHED

PREVIOUSLY APPROVED(30-025-38774)

Permit Expires 2 Years From Approval  
Date Unless Drilling Underway

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Monti Sanders*

Printed name:

Monti Sanders

Title:

Land Regulatory Technician

E-mail Address:

montis@yatespetroleum.com

Date:

1/21/2011

Phone:

575-748-4244

OIL CONSERVATION DIVISION

Approved by:

*[Signature]*

Title:

PETROLEUM ENGINEER

Approval Date:

MAR 24 2011

Expiration Date:

Conditions of Approval Attached ☐

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DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-10Z  
Revised March 17, 1999  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

RECEIVED

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

HOBBSUCD

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-40093</b>	Pool Code <b>39380</b>	Livingston Ridge Pool Name <b>Delaware SE</b> <del>Wildcat; Bone Springs</del>
Property Code <b>12519</b>	Property Name <b>LOTUS "ALT" STATE</b>	Well Number <b>7</b>
OGRID No. <b>025575</b>	Operator Name <b>YATES PETROLEUM CORPORATION</b>	Elevation <b>3531</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	32	22S	32E		1980	SOUTH	1650	WEST	LEA

Bottom Hole Location If Different From Surface

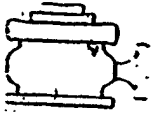
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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

	<b>OPERATOR CERTIFICATION</b>  <i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i>   Signature  Monti Sanders Printed Name  Land Regulatory Tech Title  1/21/11 Date		
	<b>SURVEYOR CERTIFICATION</b>  <i>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.</i>  1/22/2004 Date Surveyed  Signature Professional Surveyor  Certificate No. 3640 LOTUS 7 GENERAL SURVEYING COMPANY		

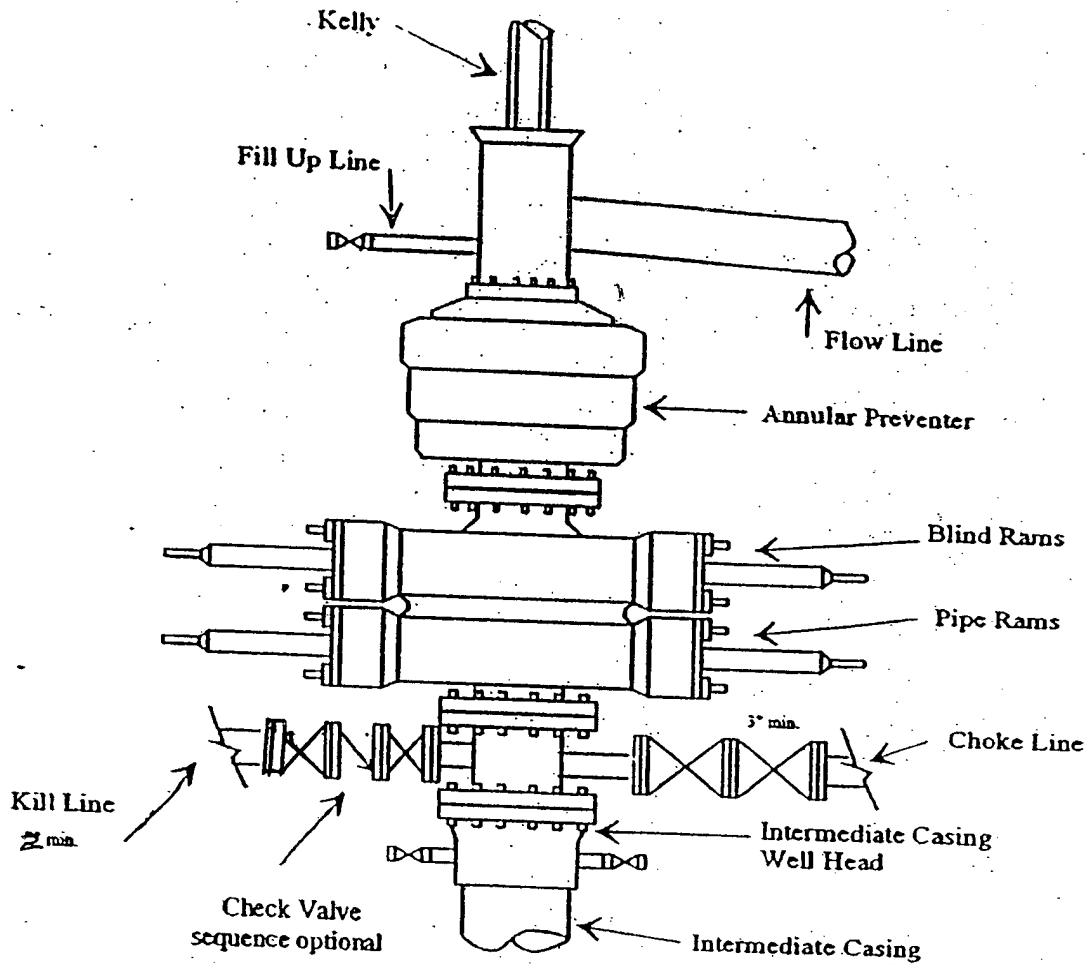
0 330' 660' 990' 1650' 1980' 2310' 2310' 1980' 1650' 990' 660' 330' 0'



# Yates Petroleum Corporation

BOP-3

## Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



## Typical 3,000 psi choke manifold assembly with at least these minimum features

