

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88240

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210		² OGRID Number 025575
		³ API Number 30 - 025 - 40113
³ Property Code 37154	⁵ Property Name Dalton BLD State Com	
		⁶ Well No. 1
⁹ Proposed Pool 1 Ranger Lake; Morrow, North		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
B	13	12 S	34 E		800	South NORTH	1980	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

Additional Well Information

¹¹ Work Type Code New	¹² Well Type Code Gas	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 4140
¹⁶ Multiple No	¹⁷ Proposed Depth 12450	¹⁸ Formation Morrow	¹⁹ Contractor	²⁰ Spud Date 5/7/11

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	0
11"	8 5/8"	32#	4300'	1175	0
7 7/8"	5 1/2"	17#	12450'	1425	3800'

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 Chester and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4300', cement circulated to surface. If believed to be commercial production casing will be ran and cemented, perforated, and stimulated as needed to gain production.

MUD PROGRAM: 0-400' Fresh Water Gel; 400'-2076' Fresh Water; 2076'-4300' Red Bed Mud/Oil; 4300'-7700' Cut Brine; 7700'-11641' SW Gel/Starch; 11641'-TD SW Gel/Starch/4/6% KCL..

BOPE PROGRAM: A 5000 psi system nipped up on the 8 5/8" casing.

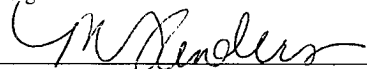
H2S is not anticipated.

C144 Attached.

Previously Approved 30-025-38891

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

Signature:



Printed name: Monti Sanders

Title: Land Regulatory Technician

E-mail Address: montis@yatespetroleum.com

Date: 4/11/11

Phone: 575-748-4244

OIL CONSERVATION DIVISION

Approved by:



Title:

Geologist

Approval Date:

04/19/11

Expiration Date:

04/19/13

Conditions of Approval Attached ☐

APR 21 2011

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APR 13 2011

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised July 16, 2010

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-40113	² Pool Code 97362	³ Pool Name Ranger Lake; Morrow, North
⁴ Property Code 37154	⁵ Property Name Dalton BLD State Com	
⁷ OGRID No. 25575	⁶ Operator Name Yates Petroleum Corporation	⁸ Well Number 1
		⁹ Elevation 4140'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	12S	34E		800	North	1980	East	Lea

¹¹ 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

¹² Dedicated Acres 320 E/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.

<div style="border: 1px solid black; padding: 10px; margin: 5px;"> <p>16</p> <p>V0-5873</p> </div>	<p>¹⁷ 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>Monti Sanders</i> 4/11/11 Signature Date</p> <p>Monti Sanders Printed Name</p> <p>montis@yatespetroleum.com E-mail Address</p>	
	<p>¹⁸ 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>_____ Date of Survey</p> <p>_____ Signature and Seal of Professional Surveyor:</p> <p>REFER TO ORIGINAL PLAT</p> <p>_____ Certificate Number</p>	
	<div style="border: 1px solid black; padding: 10px; margin: 5px;"> <p>E0-1313</p> </div>	
<div style="border: 1px solid black; padding: 10px; margin: 5px;"> <p>E0-9718</p> </div>		

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APR 13 2011
HOBBBS

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	Pool Code	Pool Name Wildcat Pennsylvanian
Property Code	Property Name DALTON "BDE" STATE COM	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 4140'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	12 S	34 E		800	NORTH	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 320 E/2	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

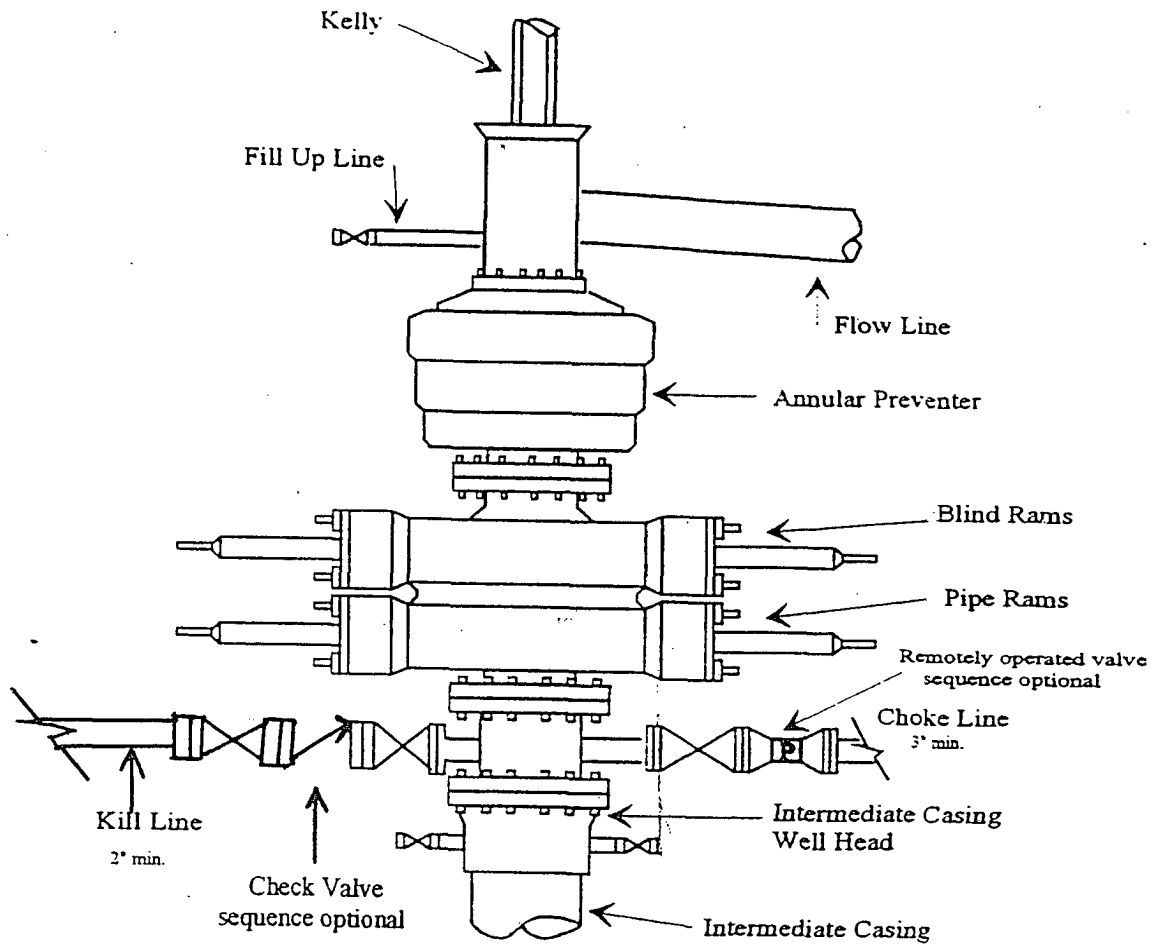
<p>SURFACE LOCATION Lat - N33°17'01.58" Long - W103°27'42.99" SPC- N.: 831894.221 E.: 807631.158 (NAD-83)</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working 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><u>Clifton R. May</u> 5/6/08 Signature Date</p> <p>Clifton R. 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>APRIL 22, 2008</p> <p>Date Surveyed Signature & Seal Professional Surveyor GARY L. JONES 7977</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS</p>
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Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features

