

N.M. Oil Cons. Div-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM90509
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator YATES PETROLEUM CORPORATION		7. If Unit or CA Agreement, Name and No. 31989
3a. Address 105 S. 4TH ARTESIA, NM 88210		8. Lease Name and Well No. MICHAEL BBS FEDERAL COM. 1
3b. Phone No. (include area code) Ph: 505.748.4364 Fx: 505.748.4572		9. API Well No. 30-005-63544
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNW 1980FNL 660FWL At proposed prod. zone SWNW 1980FNL 660FWL		10. Field and Pool, or Exploratory WILDCAT PRECAMBRIAN
14. Distance in miles and direction from nearest town or post office* APPROX. 40 MILES NE OF ROSWELL, NM		11. Sec., T., R., M., or Blk. and Survey or Area Sec 3 T5S R25E Mer NMP
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660	16. No. of Acres in Lease 320.00	12. County or Parish CHAVES
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 5260 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3821 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well 320.00
23. Estimated duration 30 DAYS		20. BLM/BIA Bond No. on file

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

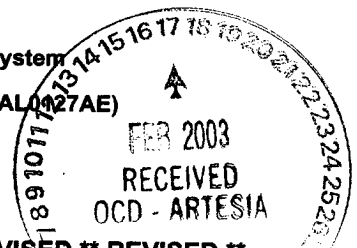
25. Signature (Electronic Submission)	Name (Printed/Typed) PATRICIA PEREZ Ph: 505.748.4376	Date 01/28/2003
Title REGULATORY AGENT		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) LARRY D BRAY	Date 02/13/2003
Title ASST FIELD MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #18065 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Roswell
Committed to AFMSS for processing by Armando Lopez on 01/29/2003 (03AL0127AE)



** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **

DISTRICT I
1635 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat Precambrian
Property Code	Property Name MICHAEL "BBS" FEDERAL COM.	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3821

Surface Location

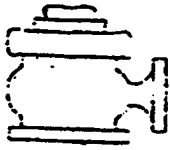
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	3	5S	25E		1980	NORTH	660	WEST	CHAVES

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.						

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 CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Patricia Perez</i> Signature</p> <p>Patricia Perez Printed Name</p> <p>Regulatory Agent Title</p> <p>1/27/2003 Date</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>1/14/2003 Date</p>	
			<p>Date Signed Signature & Seal Professional Surveyor</p> <p><i>HELEN L. JONES</i> HELEN L. JONES Professional Surveyor 3640</p> <p>1/14/2003 Date</p> <p>General Surveying Company</p>	



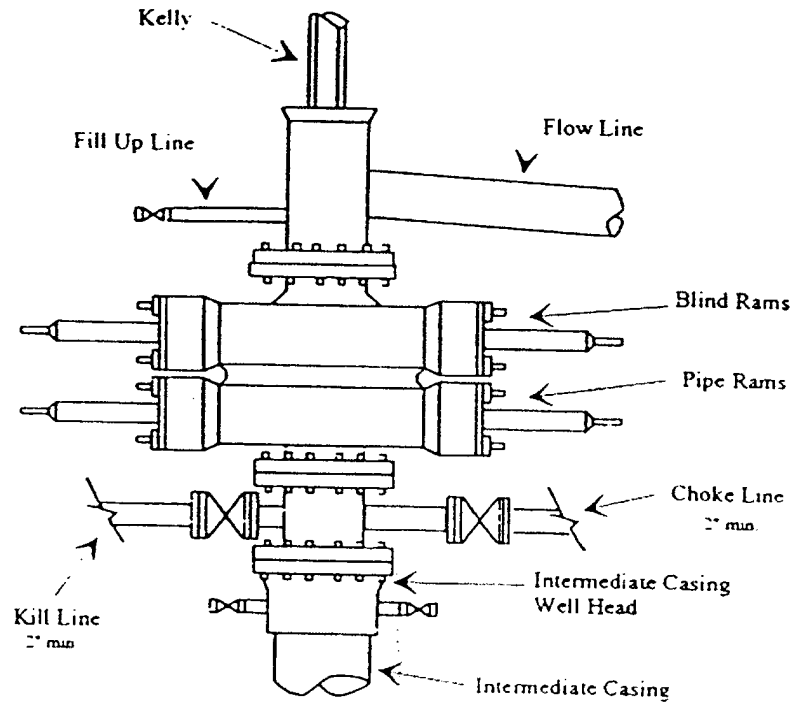
Yates Petroleum Corporation

BOP-2

Typical 2,000 psi Pressure System Schematic

Double Ram Preventer Stack

Yates Petroleum Corporation
Michael BBS Federal Com. #1
1980' FNL and 660' FWL
Section 3-T5S-R25E
Chaves County, New Mexico
Exhibit "B"



Typical 2,000 psi choke manifold assembly with at least these minimum features

