

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

APPLICATION 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 Property Code 12521 ✓		³ API Number 30-015-37126 ✓
³ Property Name Loving AIB State ✓		⁶ Well No. 7 ✓
⁹ Proposed Pool 1 Loving; Brushy Canyon, East		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
P	16	23S	28E		510	South	660	East	Eddy ✓

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

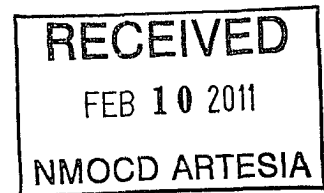
¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary N/A	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3031'GR
¹⁶ Multiple N	¹⁷ Proposed Depth N/A	¹⁸ Formation Bone Spring	¹⁹ Contractor N/A	²⁰ Spud Date N/A

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
IN PLACE					

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 plans to plugback and recompleat this well as follows: Rig up all safety equipment as needed. POOH with production equipment. Set an RBP at 6370'. Perforate Delaware 6048'-6058' (11), 6106'-6110' (5), 6124'-6128' (5), 6158'-6162' (5) and 6220'-6224' (5). Stimulate as needed. TIH with production equipment and turn well to production.



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

Signature: *Tina Huerta*

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Printed name: Tina Huerta

Title:

Geologist

Title: Regulatory Compliance Supervisor

Approval Date:

2/28/2011

Expiration Date:

E-mail Address: tinah@yatespetroleum.com

Date: February 9, 2011

Phone: 575-748-4168

Conditions of Approval Attached

WELL NAME: Loving AIB State #7 FIELD: _____

LOCATION: 510' FSL & 660' FEL of Section 16-23S-28E Eddy Co., NM

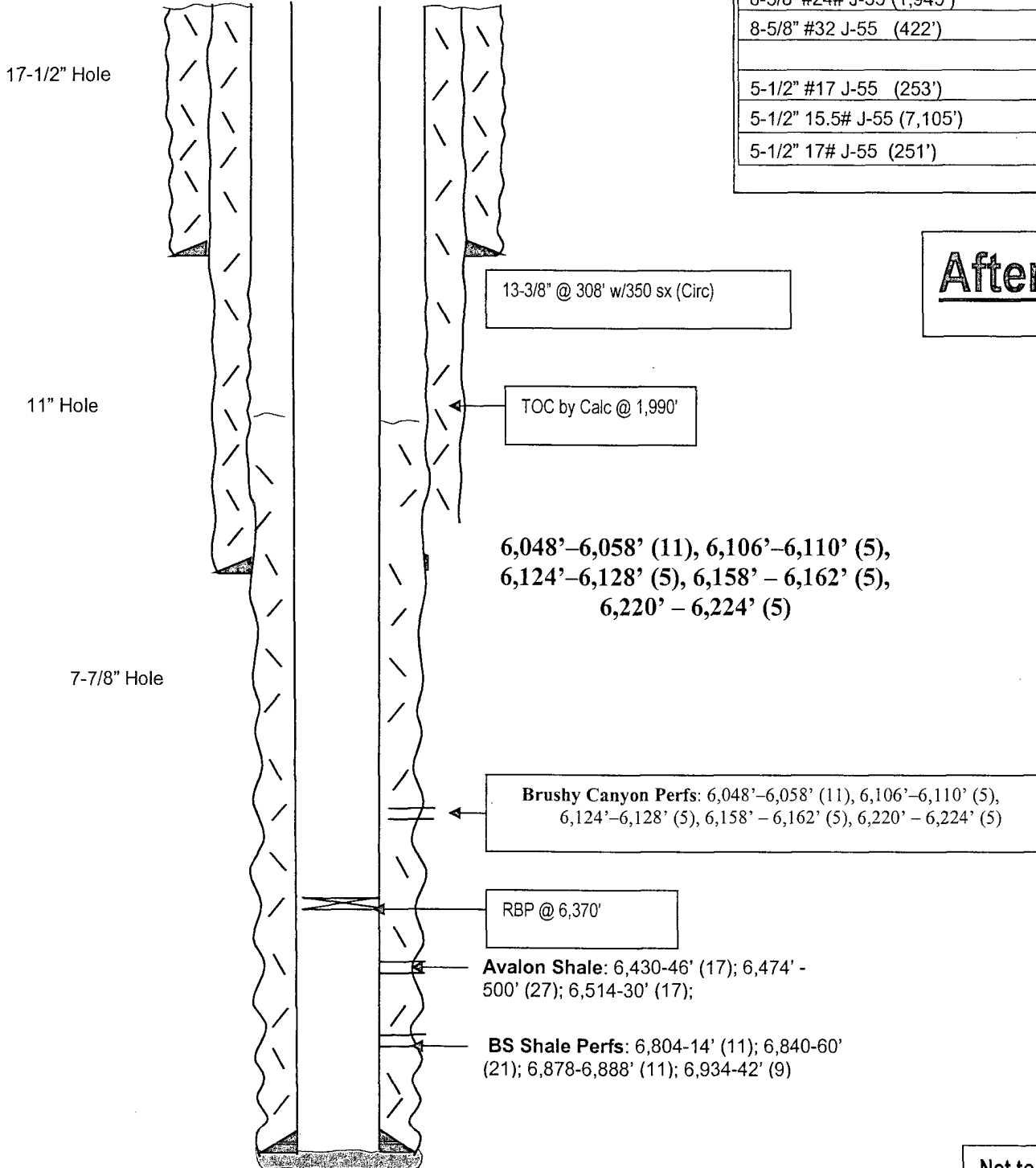
GL: 3,032' ZERO: _____ KB: _____

SPUD DATE: 8/9/10 COMPLETION DATE: _____

COMMENTS: API No.: 30-015-37126

CASING PROGRAM

13-3/8" 483 J-55	<u>308</u>
8-5/8" #32 J-55 (128')	
8-5/8" #24# J-55 (1,945')	
8-5/8" #32 J-55 (422')	<u>2,490'</u>
5-1/2" #17 J-55 (253')	
5-1/2" 15.5# J-55 (7,105')	
5-1/2" 17# J-55 (251')	<u>7,609'</u>



After

FC: 7,565'
TD: 7,609'

5-1/2" @ 7,609' w/
1st Stage: 625 sx
2nd Stage: 360 sx (Didn't Circ)

Not to Scale
2/8/11
DC/Hill