

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Monti Sanders		Approved By: Paul Kautz	
Title:		Title: Geologist	
Email Address: montis@yatespetroleum.com		Approved Date: 2/4/2010      Expiration Date: 2/4/2012	
Date: 1/29/2010      Phone: 575-748-4244		Conditions of Approval Attached	

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 108693

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-39660	2. Pool Code	3. Pool Name WILDCAT BONE SPRING
4. Property Code 38016	5. Property Name PRESIDENTE BPD STATE COM	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3335

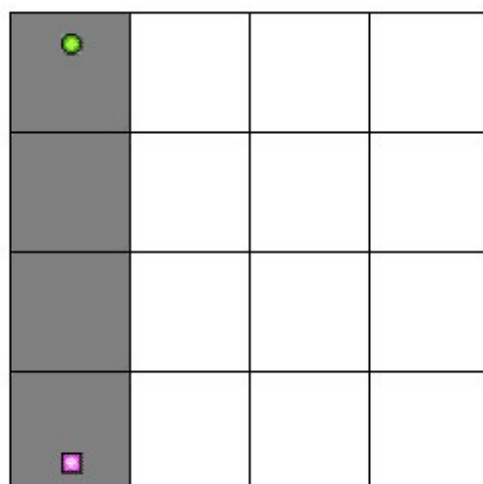
**10. Surface Location**

UL - Lot D	Section 32	Township 25S	Range 32E	Lot Idn	Feet From 330	N/S Line N	Feet From 660	E/W Line W	County LEA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot M	Section 32	Township 25S	Range 32E	Lot Idn M	Feet From 330	N/S Line S	Feet From 660	E/W Line W	County LEA
12. Dedicated Acres 160.00		13. Joint or Infill		14. Consolidation Code		15. 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**



**OPERATOR CERTIFICATION**

*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(s) 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.*

E-Signed By: Monti Sanders

Title:

Date: 1/29/2010

**SURVEYOR CERTIFICATION**

*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.*

Surveyed By: Gary Jones

Date of Survey: 1/14/2010

Certificate Number: 7977

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** PRESIDENTE BPD STATE COM #001H

**API:** 30-025-39660

Created By	Comment	Comment Date
MSANDERS	Pilot hole drilled vertically to 9700'. Well will be plugged back with a 400'-550' kick off plug, then kicked off at approx. 8993' and directionally drilled at 12 degrees per 100' with a 7 7/8" hole to 13885' MD (9470' TVD) where 5 1/2" casing will be set and cemented.	1/29/2010
MSANDERS	Penetration point of producing zone will be encountered at 807' FNL and 660' FWL, 32-25S-32E. Deepest TVD in the well is 9700' in the pilot hole. Deepest TVD in the lateral will be 9470'.	1/29/2010
MSANDERS	MUD PROGRAM: 0-1050' Fresh Water; 1050'-4300' Brine Water; 4300'-9700' Cut Brine; 8993'-13885' Cut Brine (lateral).	1/29/2010
MSANDERS	BOPE PROGRAM: 3000 psi system nipples up on 13 3/8" and 9 5/8" casing. MAXIMUM ANTICIPATED BHP: 0-1050' 502 psi; 1050'-4300' 2281 psi; 4300'-9700' 4640 psi. Depths are TVD.	1/29/2010
MSANDERS	C-144 for Closed Loop System and Directional Drilling Planner to follow by mail.	1/29/2010
DMULL	OCD Hobbs has received form C-144 "Pit Registration". OCD Permit Number P1-01710.	2/3/2010



# Permit Conditions of Approval

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** PRESIDENTE BPD STATE COM #001H

**API:** 30-025-39660

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104