

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	
	Approved By: Paul Kautz	
Printed Name: Electronically filed by Monti Sanders	Title: Geologist	
Title:	Approved Date: 3/16/2010	Expiration Date: 3/16/2012
Email Address: montis@yatespetroleum.com		
Date: 3/14/2010	Phone: 575-748-4244	

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District III
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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 110770

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-39713	2. Pool Code 97369	3. Pool Name RED HILLS;BONE SPRING, EAST
4. Property Code 38073	5. Property Name YELLOW RAIDER BPW STATE COM	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3351

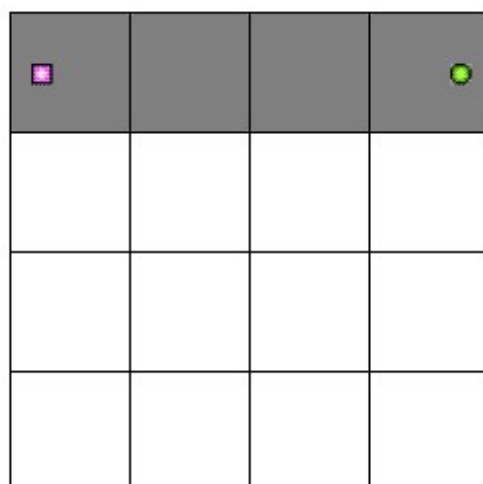
10. Surface Location

UL - Lot A	Section 36	Township 24S	Range 34E	Lot Idn	Feet From 660	N/S Line N	Feet From 330	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot D	Section 36	Township 24S	Range 34E	Lot Idn D	Feet From 660	N/S Line N	Feet From 330	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: 3/14/2010

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: 3/8/2010

Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: YELLOW RAIDER BPW STATE COM #001H

API: 30-025-39713

Created By	Comment	Comment Date
MSANDERS	Pilot hole drilled vertically to 10600'. Well will be plugged back with a 400'-500' kick off plug, then kicked off at approx. 9123' and directionally drilled at 12 degrees per 100' with a 7 7/8" hole to 14015'MD (9600' TVD) where 5 1/2" casing will be set and cemented.	3/12/2010
MSANDERS	Penetration point of producing zone will be encountered at 660' FNL and 807' FEL, 36-24S-34E. Deepest TVD in the well is 10600' in the pilot hole. Deepest TVD in the lateral will be 9600'.	3/12/2010
MSANDERS	MUD PROGRAM: 0-1000' Fresh Water; 1000'-4300' Brine Water; 4300'-10600' Cut Brine; 9123'-14015' Cut Brine (lateral).	3/12/2010
MSANDERS	MAXIMUM ANTICIPATED BHP: 0-950 454 psi; 950-4300 2281 psi; 4300-10600 5016 psi.	3/12/2010
MSANDERS	PRESSURE CONTROL EQUIPMENT: 3000 psi system nipped up on 13 3/8" and 9 5/8" casing.	3/12/2010
MSANDERS	C-144 and Directional Drilling Plan to follow by mail.	3/12/2010
DMULL	OCD Hobbs has received form C-144 "Pit Registration". OCD permit Number P1-01859.	3/15/2010