State of New Mexico

Form C-101 Permit 129011

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

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

erator Name and Address ROLEUM CORPORATION	2. OGRID Number 25575		
105 S 4TH ST ARTESIA , NM 88210			
5. Property Name RUDOLPH ATX STATE COM	6. Well No. 004H		
	ROLEUM CORPORATION 105 S 4TH ST TESIA , NM 88210 5. Property Name		

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	16	198	31E	N	330	S	2080	W	EDDY

8. Pool Information

LUSK:BONE SPRING, WEST	41480

Additional Well Information

9. Work Type New Well	10. Wett OII	3.55		11. Cable/Rotary		12. Lesse Type State	13. Ground Level Elevation 3497
14. Multiple N	15. Propos 133	sed Depth	16. Formation 3rd Bone Spring Sand		17. Contractor	18. Spud Date	
Depth to Ground	water		D	istance from nearest	fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste		mils thick	Clay	Pit Volume:		illing Method: esh Water X Brine	Diesel/Oil-based Gas/Air

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	450	475	0
Int1	12.25	9.625	36	4250	1510	0
Prod	8.5	5.5	17	13372	2530	3750

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Г	Type	Working Pressure	Test Pressure	Manufacturer
	DoubleRam	3000	3000	

of my knowledge and belief.	ion given above is true and complete to the best ing pit will be constructed according to	OIL CONSERVATION DIVISION			
	eral permit , or an (attached) alternative	Approved By: Randy Dade			
Printed Name: Electronica	lly filed by Monti Sanders	Title: District Supervisor			
Title:		Approved Date: 3/21/2011	Expiration Date: 3/21/2013		
Email Address: montis@y	vatespetroleum.com				
Date: 3/18/2011	Phone: 575-748-4244	Conditions of Approval Atta	iched		

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

Form C-102 Permit 129011

Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	Pool Name	
30-015-38565	41480	IE SPRING, WEST	
4. Property Code	5. Property	6. Wett No.	
38242	RUDOLPH ATX S	004H	
7. OGRID No.	8. Operator		9. Elevation
25575	YATES PETROLEUM		3497

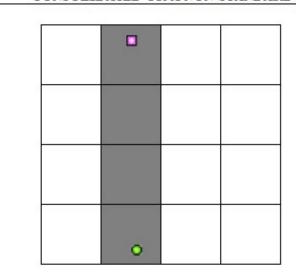
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	16	198	31E	1,44	330	S	2080	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	16	198	31E	C	330	N	1980	W	EDDY
	cated Acres	13. J	oint 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: 3/18/2011

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: 2/25/2011 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: RUDOLPH ATX STATE COM #004H

API: 30-015-38565

Created By	Comment	Comment Date
dif	Well will be vertically drilled to 8487 where the hole will be kicked off at 12 degrees per 100'with a 8.75" hole to 9300' MD (8945' TVD). if hole conditions dictate, 7" casing will be set and cemented. A 6.125" hole will be drilled to 13372' MD (8900' TVD)where 4.5" casing will be set and cemented. If 7" casing is not set then the hole will be reduced to 8.5" and drilled to 13372' MD (8900' TVD)where 5.5 casing will be set and cemented.	3/18/2011
dif	The penetration point of the producing zone will be encountered at 811' FSL & 2246' FWL.	3/18/2011
dif	C-144 for closed loop system and drilling plan to follow by mail.	3/18/2011
Artesia	Land S/S	3/21/2011

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575 Well: RUDOLPH ATX STATE COM #004H

API: 30-015-38565

OCD Reviewer	Condition
Artesia	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string