

DISTRICT I --- CHECKLIST FOR INTENTS TO DRILL

Operator Yates Petroleum Corp

OGRID # 25575

Well Name & # Vaughn B62 #1

Surface Type F : S : P

Location J-12-25-34e

Sub-Surface Type F : S : P

A. DATE C101 rec'd 8/25/09

C101 reviewed 8/26/09

B. Put Check Mark if OK on Form:

OGRID /, BONDING /, PROP CODE /, WELL # /,

Signature /

Inactive Well list as of: 8/26/09 # well 2441, # inactive wells 2

1. District Grant APD but see number of inactive wells:

NO Letter required /; Sent Letter to Operator , to Santa Fe

Additional Bonding as of: 8/26/09

2. District Denial because operator needs addition bonding:

NO Letter required /; Sent Letter to Operator , To Santa Fe

3. District Denial because of Inactive Well list and Financial Assurance:

NO Letter required /: Sent Letter to Operator , To Santa Fe

C. C-102 YES /, NO , Signature /

1. Pool Wildcat Miss, code

a. Dedicated acreage 320, What Units E/2, ABGH IJOP

b. SUR. Location Standard /; Non-Standard Location

2. 2nd Operator in same acreage, Yes , No /

If Yes, Name of 2nd Oper.

Agreement Letter , Disagreement letter

3. Intent to Directional Drill YES____, NO ☒

a. Dedicated acreage____, What Units____

b. Bottomhole Location Standard ____; Non-Standard____

4. POTASH Area YES____, NO ☒

D. Blowout Preventer YES ☒, NO____

E. H2S YES ☒, NO____

F. C-144 Pit Registration YES ☒, NO____

G. Does APD require Santa Fe Approval:

Non-Standard location: YES____, NO ☒, ORDER # NSL-

Non-Standard proration: YES____, NO ☒, ORDER # NSP -

Simultaneous Dedication (share acreage) YES____, NO ☒, ORDER # SD -

Number of wells____, Plus #____

Injection order YES____, NO ☒,

ORDER # PMX - or ORDER # WFX

SWD order YES____, NO ☒, ORDER # SWD -

H. Holding for:

I. OCD Approval Date 8/26/09

API # 30-025-39505