

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 NMOC 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: 10/19/2010	Expiration Date: 10/19/2012
Email Address: montis@yatespetroleum.com			
Date: 10/7/2010	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 121393

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-39940	2. Pool Code 5535	3. Pool Name BERRY;BONE SPRING, NORTH
4. Property Code 38344	5. Property Name OCTOBER ROAD BPX STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3720

10. Surface Location

UL - Lot P	Section 6	Township 21S	Range 34E	Lot Idn	Feet From 660	N/S Line S	Feet From 380	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot M	Section 6	Township 21S	Range 34E	Lot Idn 18	Feet From 660	N/S Line S	Feet From 330	E/W Line W	County LEA
12. Dedicated Acres 158.25		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

	<p align="center">OPERATOR CERTIFICATION</p> <p><i>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.</i></p> <p>E-Signed By: Monti Sanders Title: Date: 10/7/2010</p>
	<p align="center">SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Surveyed By: Gary Jones Date of Survey: 9/28/2010 Certificate Number: 7977</p>

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: OCTOBER ROAD BPX STATE #001H

API: 30-025-39940

Created By	Comment	Comment Date
MSANDERS	Pilot hole drilled vertically to 10,150'. Well will be plugged back with a 600' kick off plug, then kicked off at approximately 9,083' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 9,900' MD (9,560' TVD). If hole conditions dictate, 7" casing will be set and cemented.	10/7/2010
MSANDERS	A 6 1/8" hole will then be drilled to 13,870' MD (9,560' TVD) and 4 1/2" will be set and cemented. If 7" is not set then hole will be reduced to 8 1/2" and drilled to 13,870' MD (9,560' TVD) where 5 1/2" will be set and cemented.	10/7/2010
MSANDERS	Penetration point of the producing zone will be encountered at 660' FSL and 857' FEL, Section 6, 21S-34E. Deepest TVD in the well will be 10,150' in the pilot hole. Deepest TVD in the lateral will be 9,560'.	10/7/2010
MSANDERS	MUD PROGRAM: 0-550' Fresh Water; 550'-5725' Brine Water; 5725'-10150' Cut Brine; 9083'-13870' Cut Brine (lateral). PRESSURE CONTROL EQUIPMENT: 3000# psi system nipped up on 13 3/8" and 9 5/8" casing.	10/7/2010
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-02565.	10/18/2010

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575

Well: OCTOBER ROAD BPX STATE #001H

API: 30-025-39940

OCD Reviewer	Condition
pkautz	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