State of New Mexico

Form C-101 Permit 127083

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

YATES PETRO	r Name and Address LEUM CORPORATION	2. OGRID Number 25575	
	5 S 4TH ST SIA , NM 88210	3. API Number 30-05-29174	
4. Property Code 38485	5. Property Name MOPED BQP STATE	6. Wett No. 002	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	26	15S	31E	P	780	S	430	E	CHAVES

8. Pool Information

Wildcat Wolfcam	p	96794

Additional Well Information

	VII.	IZUUITIOZUI II CII Z	210111111111			
9. Work Type New Well	10. Wett Type OIL	11. Cable/Rotary	11. Cable/Rotary 12. Lesse Type State			
14. Multiple N	15. Proposed Depth 9200	16. Formation Wolfcamp	18. Spud Date 2/18/2011			
Depth to Ground	water	Distance from nearest from	esh water well	Distance to nearest surface water		
Pit: Liner: Synthetic Closed Loop Syste	mils thick	Clay Pit Volume:	bbls Drilling Method: Fresh 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	400	425	
Int1	12.25	9.625	40	4000	1525	
Prod	8.75	7	26	9200	680	3500

Casing/Cement Program: Additional Comments

H2S is not anticipated for this well.

Proposed Blowout Prevention Program

3			679
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

I hereby certify that the information given above of my knowledge and belief. I further certify that the drilling pit will be	20 2000 80 70	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit OCD-approved plan .	, or an (attached) alternative	Approved By: Paul Kautz				
Printed Name: Electronically filed by I	Monti Sanders	Title: Geologist				
Title:		Approved Date: 2/16/2011	Expiration Date: 2/16/2013			
Email Address: montis@yatespetrolet	ım.com					
Date: 2/11/2011 Phor	ne: 575-748-4244					

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 127083

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

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

 API Number 30-05-29174 	2. Pool Code 96794	3. Pool Name Wildcat Wolfcamp			
4. Property Code 38485		5. Property Name MOPED BQP STATE			
7. OGRID No. 25575	8. Operator Nan YATES PETROLEUM CO		9. Elevation 4367		

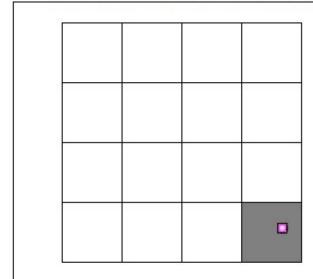
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	26	15S	31E	******	780	S	430	E	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
2000 DO	cated Acres	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: 2/11/2011

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: 1/31/2011 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575
Well: MOPED BQP STATE #002
API: 30-05-29174

Created By	Comment	Comment Date
MSANDERS	Well driled verticall to 9200'. If hole conditions warrant, 7" will be ran as production casing.	2/11/2011
MSANDERS	MUD PROGRAM: 0-400' Fresh Water; 400'-4000' Brine Water; 4000'-9200' Cut Brine.	2/11/2011
MSANDERS	PRESSURE CONTROL EQUIPMENT: 3000 psi system nippled up on 13 3/8" and 9 5/8" casing. MAXIMUM ANTICIPATED BHP: 0-400' 191 psi; 400'-2050' 1087 psi; 2050'-7500' 3588 psi.	2/11/2011
MSANDERS	C-144 for a Closed Loop System to follow by mail.	2/11/2011
DMULL	Surface/Minerals = State/State	2/16/2011
DMULL	OCD Hobbs office has received form C-144CLEZ. OCD Permit Number P1-02911.	2/16/2011