

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

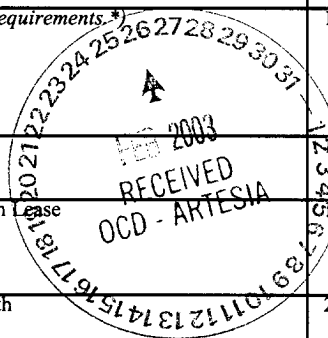
N.M. Oil Cons. Div.-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

File

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | | |
|--|--|---|--|
| 1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 7. If Unit or CA Agreement, Name and No. 22051 | |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 8. Lease Name and Well No. WILHELMINA BBM FED. COM. 1 | |
| 2. Name of Operator YATES PETROLEUM CORPORATION | | 9. API Well No. 30-005-63549 | |
| 3a. Address 105 S. 4TH ARTESIA, NM 88210 | | 10. Field and Pool, or Exploratory WILDCAT PRECAMBRIAN | |
| 3b. Phone No. (include area code) Ph: 505.748.4364 Fx: 505.748.4572 | | 11. Sec., T., R., M., or Blk. and Survey or Area Sec 24 T5S R25E Mer NMP | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SE NW 1903FNL 1885FWL At proposed prod. zone NE SW 1903FSL 1885FWL | | 12. County or Parish CHAVES | |
| 14. Distance in miles and direction from nearest town or post office* APPROX. 45 MILES NE OF ROSWELL, NM | | 13. State NM | |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660 | | 17. Spacing Unit dedicated to this well 320.00 | |
| 16. No. of Acres in Lease 600.00 | | 19. Proposed Depth 5840 MD | |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. | | 20. BLM/BIA Bond No. on file | |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.) 3695 GL | | 23. Estimated duration 30 DAYS | |



24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

| | | |
|--|---|--------------------|
| 25. Signature (Electronic Submission) | Name (Printed/Typed) PATRICIA PEREZ Ph: 505.748.4376 | Date 01/28/2003 |
| Title REGULATORY AGENT | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) ARMANDO A LOPEZ | Date 02/25/2003 |
| Title ACTING ASST FIELD MANAGER | | |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #18062 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Roswell
Committed to AFMSS for processing by Armando Lopez on 01/29/2003 (03AL0126AE)

DISTRICT I
1655 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87506

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999
Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---------------|-------------------------------|---------------------|
| API Number | Pool Code | Pool Name |
| | | Wildcat Precambrian |
| Property Code | Property Name | Well Number |
| | WILHELMINA "BBM" FEDERAL COM. | 1 |
| OGRID No. | Operator Name | Elevation |
| 025575 | YATES PETROLEUM CORPORATION | 3695 |

Surface Location

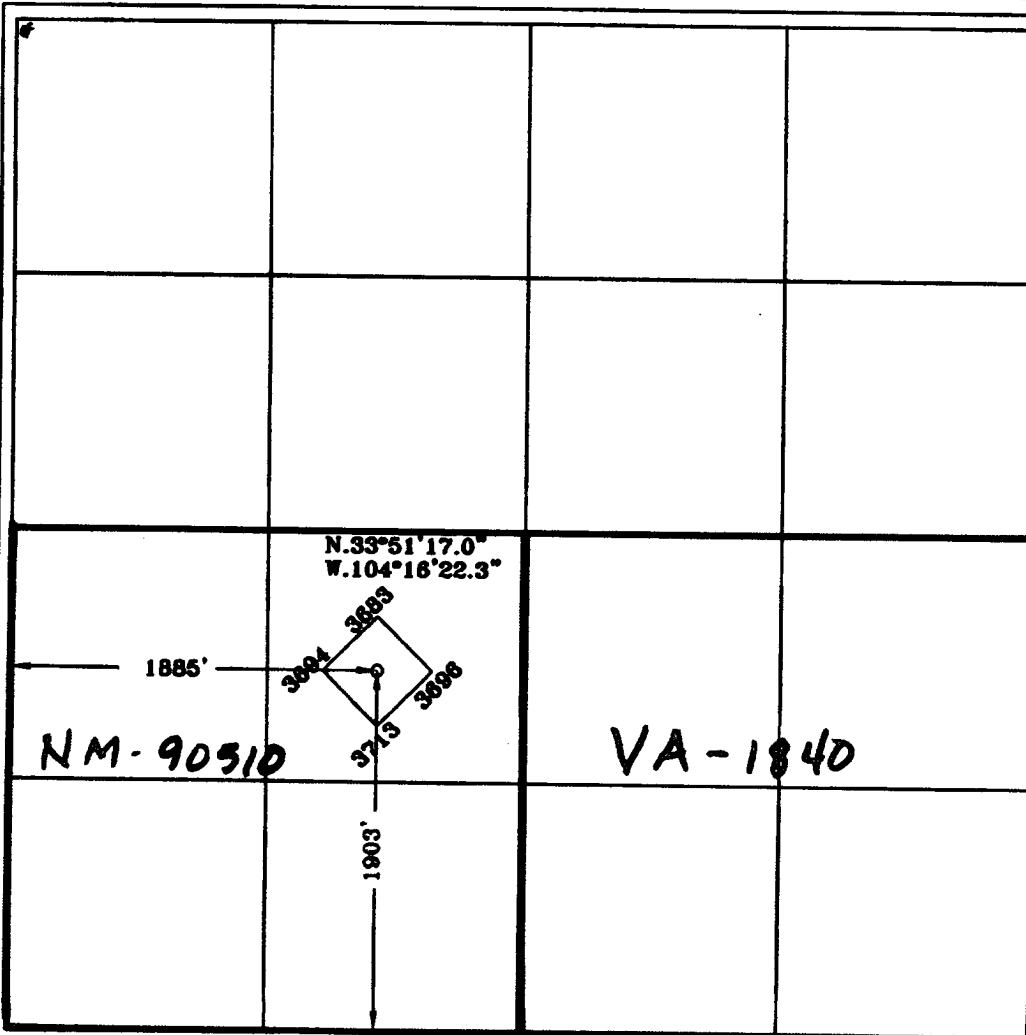
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K | 24 | 5S | 25E | | 1903 | SOUTH | 1885 | WEST | CHAVES |

Bottom Hole Location If Different From Surface

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-----------------|-----------------|--------------------|-----------|
| Dedicated Acres | Joint or Infill | Consolidation Code | Order No. |
| 320 | | | |

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 the the information contained herein to true and complete to the best of my knowledge and belief.

Pat Perez
Signature
Patricia Perez
Printed Name
Regulatory Agent
Title
1/27/2003
Date

SURVEYOR CERTIFICATION

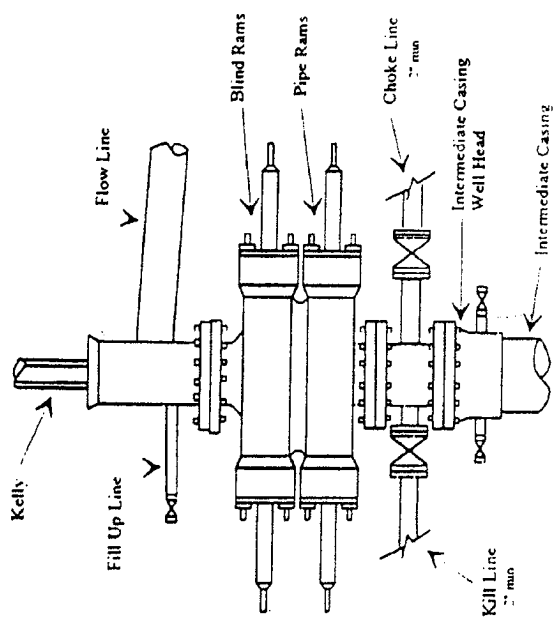
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

1/13/2003
Date Surveyed
Signature: *Herchel Jones*
Professional Surveyor
NEW MEXICO
3640
Herchel Jones
Certificate No. Herchel Jones RLS 3640
PROFESSIONAL SURVEYOR
GENERAL SURVEYING COMPANY



Yates Petroleum Corporation
Typical 2,000 psi Pressure System
Schematic
Double Ram Preventer Stack

Yates Petroleum Corporation
Wilhelmina BBM Federal Com. #1
1903' FSL and 1885' FWL
Section 24-T5S-R25E
Chaves County, New Mexico
Exhibit "B"



Typical 2,000 psi choke manifold assembly with at least these minimum features

