

1. Operator Name and Address YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA , NM 88210		2. OGRID Number 25575
		3. API Number 30-015-37364
4. Property Code 15223	5. Property Name MEDANO VA STATE	6. Well No. 018H

UL - Lot P	Section 16	Township 23S	Range 31E	Lot Idn P	Feet From 280	N/S Line N	Feet From 990	E/W Line E	County EDDY
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LOS MEDANOS:DELAWARE	40297
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3363
14. Multiple N	15. Proposed Depth 12485	16. Formation Delaware	17. Contractor	18. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mills thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	600	300	
Int1	12.25	9.625	40	4100	1360	
Prod	7.875	5.5	17	12485	2460	3600

See additional comments.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

Date: 9/11/2009	Phone: 575-748-4244
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**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 101999

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-37364	2. Pool Code 40297	3. Pool Name LOS MEDANOS;DELAWARE
4. Property Code 15223	5. Property Name MEDANO VA STATE	6. Well No. 018H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3363

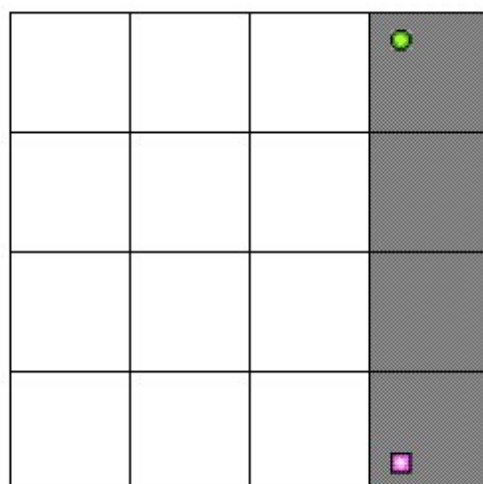
**10. Surface Location**

UL - Lot P	Section 16	Township 23S	Range 31E	Lot Idn	Feet From 280	N/S Line N	Feet From 990	E/W Line E	County EDDY
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**11. Bottom Hole Location If Different From Surface**

UL - Lot P	Section 16	Township 23S	Range 31E	Lot Idn P	Feet From 330	N/S Line S	Feet From 990	E/W Line E	County EDDY
12. Dedicated Acres 160.00		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: 9/11/2009

**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: 7/28/2009

Certificate Number: 7977

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** MEDANO VA STATE #018H

**API:** 30-015-37364

Created By	Comment	Comment Date
MSANDERS	MUD PROGRAM: 0-600' Fresh Water; 600'-4,100' Brine Water; 4,100'-7,543' Cut Brine; 7,543'-12,485' Cut Brine (Lateral) BOPE PROGRAM: A 3000# psi system nipped up on 13 3/8" and 9 5/8" casing. H2S is not anticipated. C-144 for a closed loop system to follow by mail.	9/10/2009
MSANDERS	Yates Petroleum Corporation proposes to drill and test the Delaware and Intermediate formations. Approximately 600' of surface casing will be set and cement to surface. Intermediate casing will be set at 3,400' and cement to surface. Second intermediate casing will be set at 4,100' and cement to surface. Well will be drilled vertically to 7,543', at 7,543' well will be kicked off at 12 degrees per 100' with a 8 3/4" hole to 8,293' MD (8,020' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 12,485' MD (8,020' TVD) where a 4 1/2" casing will be s	9/11/2009
MSANDERS	continued from above: set and cemented. If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 12,485' MD (8,020' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be encountered at 757' FNL and 990' FEL, 16-23S-31E. Deepest TVD in the well is 8,020' in the lateral.	9/11/2009