

Date: 11/24/2009	Phone: 575-748-4244
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District II
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 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 105750

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-37418	2. Pool Code 96448	3. Pool Name PIERCE CROSSING BONE SPRING,NORTH
4. Property Code 35384	5. Property Name DOC BHU STATE	6. Well No. 003H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3216

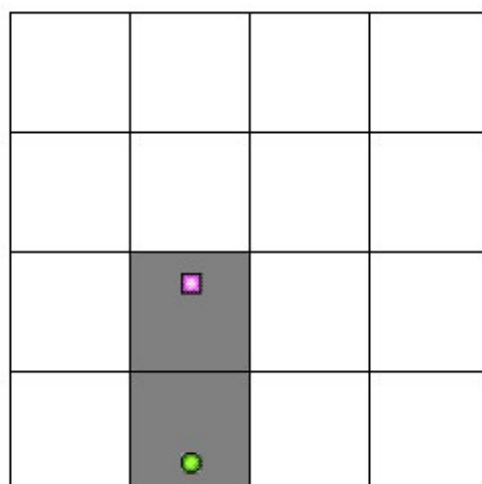
10. Surface Location

UL - Lot N	Section 5	Township 25S	Range 30E	Lot Idn	Feet From 330	N/S Line S	Feet From 1980	E/W Line W	County EDDY
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11. Bottom Hole Location If Different From Surface

UL - Lot K	Section 5	Township 25S	Range 30E	Lot Idn K	Feet From 2310	N/S Line S	Feet From 1980	E/W Line W	County EDDY
12. Dedicated Acres 80.00		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: 11/24/2009

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: 11/2/2009

Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575

Well: DOC BHU STATE #003H

API: 30-015-37418

Created By	Comment	Comment Date
MSANDERS	Well will be drilled vertically to 7373'. At 7373' well will be kicked off at 12 degrees per 100' with an 8 3/4" hole to 8123'MD (7850' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 9626' MD(7850' TVD) where 4 1/2" casing will be set and cemented.	11/20/2009
MSANDERS	If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 9626' MD (7850' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be at 807' FSL and 1980' FWL, 5-25S-30E. Deepest TVD in the well is 7850' in the lateral.	11/20/2009
MSANDERS	MUD PROGRAM: 0-650' Fresh Water; 650'-3550' Brine Water; 3550'-7373' Cut Brine; 7373'-9626' Cut Brine (Lateral)	11/20/2009
MSANDERS	BOP PROGRAM: 3000# psi system nipples up on 13 3/8" and 8 5/8" casing	11/20/2009
MSANDERS	Maximum Anticipated BHP: Depths are TVD 0-650' 311 PSI 650'-3550' 1883 PSI 3550'-7850' 3796 PSI	11/20/2009
MSANDERS	C-144 for a Closed Loop System to follow by mail. Contingency Casing Design and Directional Drilling Plan also to follow by mail.	11/20/2009