State of New Mexico

Form C-101 Permit 106561

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	or Name and Address LEUM CORPORATION	2. OGRID Number 25575	
15 may 20 miles	5 S 4TH ST SIA , NM 88210	3. API Number 30-025-39609	
4. Property Code	5. Property Name	6. Well No.	
37947	CARAVAN STATE UNIT	001	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	32	24S	33E	В	660	N	1980	E	LEA

8. Pool Information

TRISTE DRAW:ATOKA, EAST (GAS)	86430
Tidoth bidin, pirothi, bitor (Orto)	00150

Additional Well Information

	140.1				_	
9. Work Type New Well	W-X-307	eli Type AS	11. Cable/Rotary	у	12. Lease Type State	13. Ground Level Elevation 3499
14. Multiple N	200000000	oosed Depth 4750	16. Formatio Atoka	n	17. Contractor	18. Spud Date
Depth to Ground 90	water		Distance from neares	t fresh water well		Distance to nearest surface water
it: Liner: Synthetic Closed Loop Syste	m 「	mils thick	Clay Pit Volume:		ling Method:	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	1250	980	0
Int1	12.25	9.625	40	5150	1375	0
Int2	8.75	7	26	12450	525	9500
Liner1	6.125	4.5	15.1	12450	780	4650
Prod	6.125	4.5	15.1	14750	450	12000

Casing/Cement Program: Additional Comments

H2S is not anticipated.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer					
DoubleRam	3000	3000						
DoubleRam	5000	5000						

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	OIL CONSERVATION DIVISION Approved By: Paul Kautz Title: Geologist				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .					
Printed Name: Electronically filed by Monti Sanders					
Title:	Approved Date: 12/28/2009 Expiration Date: 12/28/2011				
Email Address: montis@yatespetroleum.com					
Date: 12/14/2009 Phone: 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 106561

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

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3.	Pool Name	
30-025-39609	86430	TRISTE DRAW;ATOKA, EAST (GAS)		
4. Property Code	5. Proper	y Name	6. Well No.	
37947	CARAVAN STATE UNIT		001	
7. OGRID No.	8. Operati	or Name	9. Elevation	
25575	YATES PETROLEUN	M CORPORATION	3499	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	32	24S	33E		660	N	1980	E	LEA

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
	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: 12/14/2009

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: 11/30/2009 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: CARAVAN STATE UNIT #001

API: 30-025-39609

Created By	Comment	Comment Date
MSANDERS	MUD PROGRAM: 0-1250' Fresh Water Gel; 1250'-5150' Brine Water; 5150'-12450' Cut Brine; 12450'-14750' Salt Gel/Starch/8%KCL.	12/10/2009
MSANDERS	BOPE PROGRAM: 3000# system nippled up on 13 3/8" casing. 5000# system nippled up on 9 5/8" casing.	12/10/2009
MSANDERS	Samples: 10' samples after surface casing to TD.	12/10/2009
MSANDERS	Logging: Platform express; CNL/LDT/NGTTD-Surface Casing; CNL/GRTD-Surface Casing; DLL-MSFLTD-Surface Casing; BHC-SonioTD Surface Casing; CMR (over DSWR & BSP); NGT.	12/10/2009
MSANDERS	CASING DESIGN FACTORS: Burst 1.0; Tensile 1.8; Collapse 1.125.	12/10/2009
MSANDERS	MAXIMUM ANTICIPATED BHP: 0-1250' 560 psi; 1250'-5150' 2675 psi; 5150'-12450' 6100 psi; 12450'-14750' 10740 psi.	12/10/2009
MSANDERS	C-144 for a Closed Loop System to follow by mail.	12/10/2009
DMULL	OCD Hobbs office has received form C-144 "Pit Registration". OCD Permit Number P1- 01590.	12/23/2009