State of New Mexico

Form C-101 Permit 106062

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

	Name and Address EUM CORPORATION	OGRID Number 25575	
E 155 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	S 4TH ST A , NM 88210	3. API Number 30-015-37462	
4. Property Code 37954	5. Property Name CHEVRON BOT	6. Well No. 001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	5	24S	29E	4	660	N	330	W	EDDY

8. Pool Information

CEDAR CANYON:BONE SPRING	11520
CEDAR CANTON, BONE SERING	11320

Additional Well Information

9. Work Type	10. Well Type	11. Cable/Rotary	12. Lesse Type	13. Ground Level Elevation
New Well	OIL		Private	2953
14. Multiple	15. Proposed Depth	16. Formation	18. Spud Date	
N	10620	Bone Spring		
Depth to Ground	water	Distance from nearest fre	sh 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	600	350	
Int1	12.25	9.625	36	2850	950	
Prod	7.875	5.5	17	10620	2660	7000

Casing/Cement Program: Additional Comments

H2S is not anticipated for this well.

Proposed Blowout Prevention Program

		8	
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

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			
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Jacqueta Reeves			
Printed Name: Electronically filed by Monti Sanders	Title: District Geologist			
Title:	Approved Date: 12/29/2009	Expiration Date: 12/29/2011		
Email Address: montis@yatespetroleum.com				
Date: 12/2/2009 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 106062

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 Na		Pool Name
30-015-37462	11520	CEDAR CANYON;BONE SPRING	
4. Property Code	5. Property Name		6. Well No.
37954	CHEVRON BOT		001H
7. OGRID No.	8. Operato	r Name	9. Elevation
25575	YATES PETROLEUM CORPORATION		2953

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	5	24S	29E	1.	660	N	330	W	EDDY

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	5	24S	29E	2	660	N	1650	E	EDDY
200000000000000000000000000000000000000	cated Acres	13. J	oint 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

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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: 12/2/2009

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: 11/17/2009 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: CHEVRON BOT #001H

API: 30-015-37462

Created By	Comment	Comment Date
MSANDERS	MUD PROGRAM: 0-800' Fresh Water; 800'-2850' Brine Water; 2850'-7900' Cut Brine; 7048'- 10620' Cut Brine (lateral).	12/2/2009
MSANDERS	PRESSURE CONTROL EQUIPMENT: 3000 psi system nippled up on 13 3/8" and 9 5/8" casing.	12/2/2009
MSANDERS	Pilot hole drilled vertically to 7900'. Well will be plugged back with 180' plug on bottom and 400'-500' kick off plug at approximately 7048' and directionally drilled at 12 degrees per 100'with a 8 3/4" hole to 7793' MD (7525' TVD).	12/2/2009
MSANDERS	If hole conditions dictate, 7" csing will be set. A 6 1/8" hole will then be drilled to 10620' MD (7556' TVD)where 4 1/2" casubg wukk be set abd cemented. If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 10620'MD (7556 TVD)where 5 1/2" casing will be set and cemented.	12/2/2009
MSANDERS	Penetration point of producing zone will be encountered at 660° FNL and 802° FWL, 5-24S-29E. Deepest TVD in the well is 7900° in the pilot hole. Deepest TVD in the lateral will be 7556°.	12/2/2009
MSANDERS	C-144 for Closed Loop System and Contigency Casing Design Plan to follow by mail.	12/2/2009