State of New Mexico

Form C-101 Permit 109564

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 PETROL	Name and Address EUM CORPORATION	2. OGRID Number 25575
12 (12.5 Table 5)	\$ 4TH ST IA , NM 88210	3. API Number 30-05-64124
4. Property Code	5. Property Name	6. Well No.
37300	003	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	20	10S	26E	В	820	N	1550	E	CHAVES

8. Pool Information

W Hocat	Wildcat	the Artification of the Ar	(
---------	---------	--	---

Additional Well Information

9. Work Type New Well	Гуре		11. Cable/Rotary		12. Lesse Type State	13. Ground Level Elevation 3759	
14. Multiple N	15. Proposed 620		16. Formation 17. Co Undesignated Precambrian				18. Spud Date 3/1/2010
Depth to Ground	water		D	istance from nearest	fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic Closed Loop Syste		ils thick	Clay	Pit Volume:		illing 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	14.75	11.75	42	600	400	0
Int1	11	8.625	24	1600	250	1000
Prod	7.875	5.5	15.5	6200	1100	0

Casing/Cement Program: Additional Comments

H2S is not anticipated for this well.

Proposed Blowout Prevention Program

		8	
Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	2000	2000	

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 CONSER	VATION DIVISION			
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Jacqueta Ree	ves			
Printed Name: Electronically filed by Monti Sanders	Title: District Geologist				
Title:	Approved Date: 3/3/2010	Expiration Date: 3/3/2012			
Email Address: montis@yatespetroleum.com					
Date: 2/16/2010 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 109564

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 30-05-64124	2. Pool Code	3. Pool Name Wildcat			
4. Property Code 37300	5. Property Name EUREKA UK STA		Well No.		
7. OGRID No.	8. Operator Name	1	Elevation		
25575	YATES PETROLEUM COR	PORATION	3759		

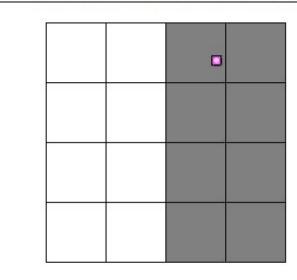
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
В	20	10S	26E	10/10/11	820	N	1550	E	CHAVES

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Townsh	iip	Range	Lot	Idn	Feet From	N/S L	ine	Feet From	E/W Line	County
	cated Acres		13	Joint or Infill			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: 2/16/2010

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: 2/13/2010 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: EUREKA UK STATE #003

API: 30-05-64124

Created By	Comment	Comment Date
MSANDERS	Drill out from surface casing with 7 7/8" hole to 1600". If lost circulation is encountered, make decision to set cement plug or ream hole to 11" & set 8 5/8" intermediate casing. If intermediate casing is not run, continue drilling 7 7/8" hole to TD where 5 1/2" casing will be set & cemented to surface.	2/16/2010
MSANDERS	MUD PROGRAM: 0-800' Fresh Water Gel; 600'-1600' Fresh Water; 1600'-4200' Brine Water; 4200'-8200' Salt Water Gel/Starch.	2/16/2010
MSANDERS	PRESSURE CONTROL EQUIPMENT: 2000 psi BOP nippled up on aa 3/4" casing. MAXIMUM ANTICIPATED BHP: 0-600' 285psi; 600'-1600' 850 psi; 1600'-6200' 3225 psi.	2/16/2010
MSANDERS	C-144 for Closed Loop System to follow by mail.	2/16/2010