

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 NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
		Approved By: Paul Kautz	
Printed Name: Electronically filed by Monti Sanders		Title: Geologist	
Title:		Approved Date: 10/19/2010	Expiration Date: 10/19/2012
Email Address: montis@yatespetroleum.com			
Date: 10/8/2010	Phone: 575-748-4244	Conditions of Approval Attached	

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
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**District II**  
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**District III**  
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**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 121437

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-39941	2. Pool Code 5535	3. Pool Name BERRY;BONE SPRING, NORTH
4. Property Code 38342	5. Property Name BLACKBERRY BKB STATE	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3727

**10. Surface Location**

UL - Lot H	Section 6	Township 21S	Range 34E	Lot Idn 16	Feet From 3300	N/S Line S	Feet From 330	E/W Line E	County LEA
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**11. Bottom Hole Location If Different From Surface**

UL - Lot G	Section 6	Township 21S	Range 34E	Lot Idn 15	Feet From 3300	N/S Line S	Feet From 2310	E/W Line E	County LEA
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**

	<p align="center"><b>OPERATOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>E-Signed By: Monti Sanders          Title:          Date: 10/8/2010</p>
	<p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Gary Jones          Date of Survey: 9/28/2010          Certificate Number: 7977</p>

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BLACKBERRY BKB STATE #001H

**API:** 30-025-39941

Created By	Comment	Comment Date
MSANDERS	Pilot hole drilled vertically to 10150'. Well will be plugged back with a 600' kick off plug, then kicked off at approximately 9083' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 9900' MD (9560' TVD). If hole conditions dictate, 7" casing will be set and cemented.	10/8/2010
MSANDERS	A 6 1/8" hole will then be drilled to 11335' MD(9560' TVD) and 4 1/2" will be set and cemented. If 7" is not set then hole will be reduced to 8 1/2" and drilled to 11335' MD (9560' TVD) where 5 1/2" will be set and cemented.	10/8/2010
MSANDERS	MUD PROGRAM: 0-550' Fresh Water; 550'-5725' Brine Water; 5725'-10150' Cut Brine; 9083'-11335' Cut Brine (lateral). PRESSURE CONTROL EQUIPMENT: 3000 # psi system nipples up on 13 3/8" and 9 5/8" casing.	10/8/2010
DMULL	OCD Hobbs office has received for C-144CLEZ. OCD Permit Number P1-02566.	10/18/2010



# Permit Conditions of Approval

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** BLACKBERRY BKB STATE #001H

**API:** 30-025-39941

OCD Reviewer	Condition
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string