

1. Operator Name and Address YATES PETROLEUM CORPORATION 105 S 4TH ST ARTESIA , NM 88210		2. OGRID Number 25575
		3. API Number 30-015-38259
4. Property Code 38380	5. Property Name OSCURO BBC STATE COM	6. Well No. 001H

UL - Lot E	Section 12	Township 25S	Range 27E	Lot Idn E	Feet From 1980	N/S Line N	Feet From 330	E/W Line W	County EDDY
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WILLOW LAKE BONE SPRING, WEST	96415
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9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 3100
14. Multiple N	15. Proposed Depth 10655	16. Formation Bone Spring	17. Contractor	18. Spud Date 12/15/2010
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mills thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	425	0
Int1	12.25	9.625	36	2300	810	0
Prod	7.875	5.5	17	10635	1825	1800

H2S is not anticipated for this well.

Type	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	

Date: 11/9/2010	Phone: 575-748-4244
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Approved Date: 11/10/2010	Expiration Date: 11/10/2012
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**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**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 122829

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-38259	2. Pool Code 96415	3. Pool Name WILLOW LAKE BONE SPRING, WEST
4. Property Code 38380	5. Property Name OSCURO BBC STATE COM	6. Well No. 001H
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3100

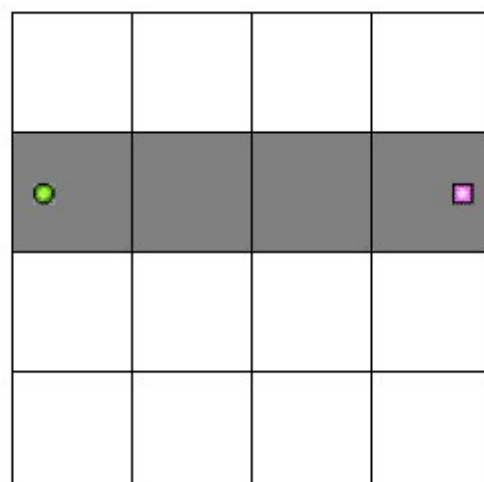
**10. Surface Location**

UL - Lot E	Section 12	Township 25S	Range 27E	Lot Idn	Feet From 1980	N/S Line N	Feet From 330	E/W Line W	County EDDY
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**11. Bottom Hole Location If Different From Surface**

11. Bottom Hole Location If Different From Surface									
UL - Lot H	Section 12	Township 25S	Range 27E	Lot Idn H	Feet From 1980	N/S Line N	Feet From 330	E/W Line E	County EDDY
12. Dedicated Acres 160.00		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: 11/9/2010

**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: 10/3/2010

Certificate Number: 7977

## Permit Comments

**Operator:** YATES PETROLEUM CORPORATION , 25575

**Well:** OSCURO BBC STATE COM #001H

**API:** 30-015-38259

Created By	Comment	Comment Date
MSANDERS	Well will be drilled vertically to 5763'. Well will then be kicked off at 5763' and directionally drilled at 12 degrees per 100' with a 8 3/4" hole to 6600' MD (6240' TVD). If hole conditions dictate, 7" casing will be set. A 6 1/8" hole will then be drilled to 10655' MD (6240' TVD) where 4 1/2" casing will be set and cemented.	11/9/2010
MSANDERS	If 7" is not set, then hole size will be reduced to 7 7/8" and drilled to 10655' MD (6240' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be encountered at 1980' FNL & 807' FWL, 12-25S-27E. Deepest TVD in the well is 6240' in the lateral.	11/9/2010
MSANDERS	MUD PROGRAM: 0-400' Fresh Water; 400'-2300' Brine Water; 2300'-5763' Cut Brine; 5763'-10655' Cut Brine (lateral). PRESSURE CONTROL EQUIPMENT: 3000 psi system nipped up on 13 3/8" and 9 5/8" casing.	11/9/2010
MSANDERS	MAXIMUM ANTICIPATED BHP: 0-400 187 psi; 400-2300 1220 psi; 2300-6240 3018 psi.	11/9/2010
MSANDERS	C-144 for a Closed Loop System, Contingency Casing Design and Drilling Plan to follow by mail.	11/9/2010