State of New Mexico

Form C-101 Permit 129842

Energy, Minerals and Natural Resources

Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

APPLICATION FOR	PERMIT TO DRIL	L. RE-ENTER.	DEEPEN, PLUGB	ACK, OR ADD A	ZONE
THE LECTION OF THE	LILICITIE I O DIGIL	T' I'L T' ILLI'	DELLE LIVE I LOUD!	TOIL OIL LIDE !	LUCIL

	tor Name and Address DLEUM CORPORATION	OGRID Number 25575	
Carlo and	05 S 4TH ST SIA , NM 88210	3. API Number 30-015-38958	
4. Property Code 23123	5. Property Name CROW ASM STATE COM	6. Well No. 004H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	32	16S	28E	H	2260	N	300	E	EDDY

8. Pool Information

W.C.CROWLET ATC. ADO	07601
WC;CROW FLATS;ABO	97691

Additional Well Information

	No.	.Iuditional Well Infor	Hation		
9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lesse Type State	13. Ground Level Elevation 3597	
14. Multiple N	15. Proposed Depth 11109	16. Formation Abo	17. Contractor	18. Spud Date 4/15/2011	
Depth to Ground	water	Distance from nearest fresh water	er well	Distance to nearest surface water	
it: Liner: Synthetic [Closed Loop Syste	mils thick	: Clay Pit Volume: bb	ls 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	400	450	0
Int1	12.25	9.625	36	2000	410	0
Prod	7.875	5.5	17	11109	0	0
Prod	8.75	5.5	17	6900	950	1500

Casing/Cement Program: Additional Comments

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
DoubleRam	3000	3000	5

of my knowledge and belief.	nation given above is true and complete to the best illing pit will be constructed according to	OIL CONSERVATION DIVISION Approved By: Randy Dade			
	eneral permit , or an (attached) alternative				
Printed Name: Electroni	cally filed by Monti Sanders	Title: District Supervisor			
Title:		Approved Date: 4/15/2011	Expiration Date: 4/15/2013		
Email Address: montis@	yatespetroleum.com				
Date: 4/15/2011	Phone: 575-748-4244	Conditions of Approval Attached			

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 129842

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 30-015-38958			3. Pool Name WC;CROW FLATS;ABO			
4. Property Code 23123	5. Property CROW ASM ST		6. Well No. 004H			
7. OGRID No. 25575	8. Operator 1 YATES PETROLEUM		9. Elevation 3597			

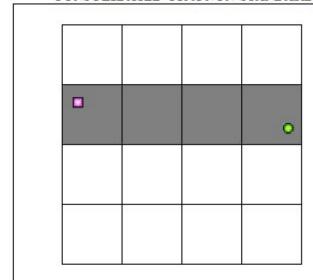
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	32	16S	28E		2260	N	300	E	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
E	32	16S	28E	E	1700	N	330	W	EDDY
	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



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: 4/15/2011

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: 12/6/2010 Certificate Number: 7977

Permit Comments

Operator: YATES PETROLEUM CORPORATION , 25575 Well: CROW ASM STATE COM #004H

API: 30-015-38958

Created By	Comment	Comment Date
MSANDERS	Penetration Point will be 2206' FNL and 686' FWL.	4/8/2011
MSANDERS	MUD PROGRAM: 0-400' Fresh Water; 400'-2000' Brine Water; 2000'-5300' Cut Brine; 5300'- 6105' Cut Brine; 6105'-11109' Cut Brine.	4/7/2011
MSANDERS	Well drilled vertically to 6105' and kidked off with 8 3/4", build at 12 degrees per 100' to 6868' MD (6583 TVD) and drilled laterally with 7 7/8" bit to 11109' MD (6473 TVD), where a packer port system will be ran in lateral, and with a cementing tool above the kickoff the casing will be cemented with TOC @ 1500'.	4/15/2011
MSANDERS	PRESSURE CONTROL EQUIPMENT: 3000 psi system nippled up on 13 3/8" and 9 5/8" casing. MAXIMUM ANTICIPATED BHP: 0-400' 17 psi; 400'-2000' 1040 psi; 2000'-6583'(TVD) 3080 psi. Depths are TVD.	4/15/2011
MSANDERS	C-144 for a Closed Loop System and Drilling Plan to follow by mail.	4/15/2011
Artesia	Land S/S	4/15/2011

Permit Conditions of Approval

Operator: YATES PETROLEUM CORPORATION , 25575 Well: CROW ASM STATE COM #004H

API: 30-015-38958

OCD Reviewer	Condition
Artesia	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