

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

Cons. DIV-1  
Grand Ave  
Ala, NM 882

CEMENT TO COVER ALL OIL, GAS AND WATER BEARING ZONES, EXAMPLE: GLORIETA FORMATION

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FEB 23 2006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-54988	
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Not Applicable	
2. Name of Operator Yates Petroleum Corporation 25575		7. If Unit or CA Agreement, Name and No. Not Applicable	
3A. Address 105 South Fourth Street Artesia, New Mexico 88210		8. Lease Name and Well No. Getty "PS" 7 Federal #3 Q	
3b. Phone No. (include area code) (505) 748-1471		9. API Well No. 30-005-63808	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' FSL and 660' FWL, Unit M (Lot 4) At proposed prod. Zone same as above		10. Field and Pool, or Exploratory Wildcat Granite	
14. Distance in miles and direction from nearest town or post office* Approximately thirty (30) miles northeast of Roswell, New Mexico		11. Sec., T., R., M., or Blk, and Survey or Area Section 7, T6S-R26E	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)		12. County or Parish Chaves County	
16. No. of Acres in lease 313.95		13. State NM	
17. Spacing Unit dedicated to this well 313.95-S/2		20. BLM/BIA Bond No. on file NM-2811	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3738' GL	
22. Approximate date work will start* ASAP		23. Estimated duration 30 Days	

24. Attachments **DECLARED WATER BASIN**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature <i>Debbie L. Caffall</i>	Name (Printed/Typed) Debbie Caffall debbiec@ypcnm.com	Date 1/17/2006
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Title: Regulatory Agent/Land Department	
Approved by (Signature) /S/LARRY D. BRAY	Name (Printed/Typed) /S/LARRY D. BRAY
Title Assistant Field Manager, Lands And Minerals	Office ROSWELL FIELD OFFICE
Date FEB 21 2006	
APPROVED FOR 1 YEAR	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on reverse)

Previously Approved

C-144 Attached

Sundry Attached

DECLARED WATER BASIN

CEMENT BEHIND THE 11 3/4" CASING MUST BE CIRCULATED WITNESS

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

## District I

16251 French Dr., Hobbs, NM 88240

## District II

811 South First, Artesia, NM 88210

## District III

1000 Rio Brazos Rd., Aztec, NM 87410

## District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources DepartmentOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505Form C-102  
Revised August 15, 2000Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-005-63449-00-X1</b>	<sup>2</sup> Pool Code <b>96542</b>	<sup>3</sup> Pool Name <b>Wildcat: Granite</b>
<sup>4</sup> Property Code	<sup>5</sup> Property Name <b>Getty PS 7 Federal</b>	<sup>6</sup> Well Number <b>3</b>
<sup>7</sup> OGRID No. <b>025575</b>	<sup>8</sup> Operator Name <b>Yates Petroleum Corporation</b>	<sup>9</sup> Elevation <b>3738'</b>

<sup>10</sup> Surface Location

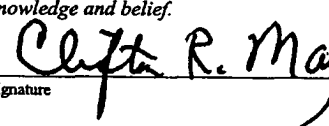
UL or lot no. <b>M</b>	Section <b>7</b>	Township <b>6S</b>	Range <b>26E</b>	Lot Idn	Feet from the <b>660</b>	North/South line <b>South</b>	Feet from the <b>660</b>	East/West line <b>West</b>	County <b>Chaves</b>
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres <b>313.95</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup>				<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature <b>Clifton R. May</b> Printed Name <b>Regulatory Agent</b> Title <b>1/05/2004</b> Date
Lot 3		NM-54988	Proposed Well #4 ○	<sup>18</sup> 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. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor:
Lot 4	Well #2 ○			
660' → ○ ↑ 660'		Well #1 ○		
				Certificate Number

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

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

Form C-144  
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

105 South Fourth Street, Artesia, NM 88210

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☒ CheckBox

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: Yales Petroleum Corporation Telephone: 505-748-4376 e-mail address: debbiec@yppcnm.com  
Address: 104 South 4<sup>th</sup> Street, Artesia, New Mexico 88210  
Facility or well name: Getty PS 7 Federal #3 API #: 30-005-63449-001-X1 U/L or Qtr/Qtr SWSW Sec 7 T 6S R 26E  
County: Chaves Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner: Federal ☒ State ☐ Private ☐ Indian ☐

Pit	Below-grade tank
Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume _____ bbl	Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes (20 points) No (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more (0 points)
Ranking Score (Total Points) 10	

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OCT 26 2004  
OCD-ARTESIA

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒, or an (attached) alternative OCD-approved plan ☐.

Date: 10/26/2004

Printed Name/Title Robert Asher/Regulatory Agent

Signature [Signature]

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approved: OCT 27 2004 [Signature]

Date: \_\_\_\_\_

Printed Name/Title \_\_\_\_\_

Signature [Signature]

**YATES PETROLEUM CORPORATION**  
**Getty "PS" 7 Federal #3**  
660' FSL and 660' FWL  
Section 7,-T6S-R26E  
Chaves County, New Mexico

1. The estimated tops of geologic markers are as follows:

San Andres	600'
Glorieta	1515'
Yeso	1625'
Tubb	3035'
Abo	3685'
Wolfcamp	4370'
Basement - Granite	5310'
TD	5460'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 150'-200'  
Oil or Gas: All potential zones.

3. **Pressure Control Equipment:** BOPE will be installed on the 11 3/4" casing and rated for 2000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

**Auxiliary Equipment:**

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. **THE PROPOSED CASING AND CEMENTING PROGRAM:**

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>
14 3/4"	11 3/4"	42#	H-40	ST&C	0-925'
11	8 5/8"*	24#	J-55	ST&C	0-1500'
7 7/8"	5 1/2"	15.5#	J-55	ST&C	0-5460'

\*8 5/8" will only be set if lost circulation is encountered

1. Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.8

A. CEMENTING PROGRAM:

Surface Casing: 350 sx Lite "C" (YLD 2.0 WT 12.5). Tail in with 200 sx "C"  
+ 2% CaCL<sub>2</sub> (YLD 1.32 WT 15.6).

Intermediate Casing: 250 sx Class C+2% CaCL<sub>2</sub> (YLD 1.32 WT 14.8)

Production Casing: 500 sx Pecos Valley Lite (YLD 1.34 WT 13.0). TOC 3100'.

5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-900'	FW GEL,Paper,LCM	8.6 - 9.0	32-36	N/C
900'-3650'	Cut Brine/Brine	9.0 - 10.2	28	N/C
3650'-5230'	Salt Gel/Starch	9.3 - 10.2	32-40	<6/cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10' samples out from under surface casing.

Logging: Platform Express CNL/LDT, W/NGT TD -Surf csg; with GR/CNL up to Surf:

DLL/MS FL TD-Surf csg; BHC Sonic TD-Surf csg

Coring: None

DST's: As warranted.

7. ABNORMAL CONDITIONS, BOTTOM HOLE PRESSURE, AND POTENTIAL HAZARDS:

Anticipated BHP:

From: 0	TO: 900'	Anticipated Max. BHP: 375 PSI
From: 900'	TO: 5460'	Anticipated Max. BHP: 2700 PSI

Abnormal Pressures Anticipated: None

Lost Circulation Zones Anticipated: None.

H<sub>2</sub>S Zones Anticipated: None Anticipated

Maximum Bottom Hole Temperature: 110 F

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 25 days to drill the well with completion taking another 20 days.

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**YATES PETROLEUM CORPORATION**  
**Getty "PS" 7 Federal #3**  
660' FSL and 660' FWL  
Section 7,-T6S-R26E  
Chaves County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

**1. EXISTING ROADS:**

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 25 miles northeast of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:**

Go north of Roswell on Highway 285 for approx. 23 miles to Cottonwood Road. Turn east and follow road approx. 14.3 miles to Roosevelt Road. Turn north and go approx. 3.3 miles. The new road will start here and go west to the southeast corner of the pad.

**2. PLANNED ACCESS ROAD:**

- A. The proposed new access will be approximately 800' in length from the point of origin to the southeast corner of the drilling pad. The road will lie in a east to west direction.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. Existing roads will be maintained in the same or better condition.

**3. LOCATION OF EXISTING WELL:**

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:**

- A. There are production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

Dirt contractor will locate nearest pit and obtain any permits and materials needed for construction.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

**8. ANCILLARY FACILITIES: None**

**9. WELLSITE LAYOUT:**

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

**10. PLANS FOR RESTORATION:**

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Corn Brothers, Inc.  
Roswell, New Mexico  
An Agreement has been reached with the landowner  
Concerning surface use in drilling this well.

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

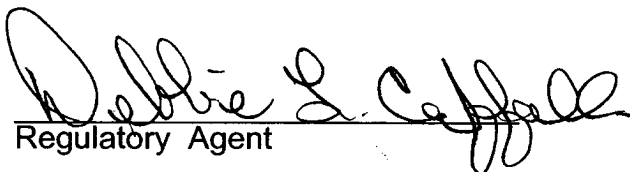
13. OPERATOR'S REPRESENTATIVE:

- |  |   |
|--|---|
| A. Through A.P.D. Approval:<br>Debbie Caffall, Regulatory Agent<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210<br>Phone (505) 748-1471 | B. Through Drilling, Completions & Prod.<br>Pinson McWhorter, Operations Manager<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210<br>Phone (505) 748-1471 |
|--|---|

14. CERTIFICATION:

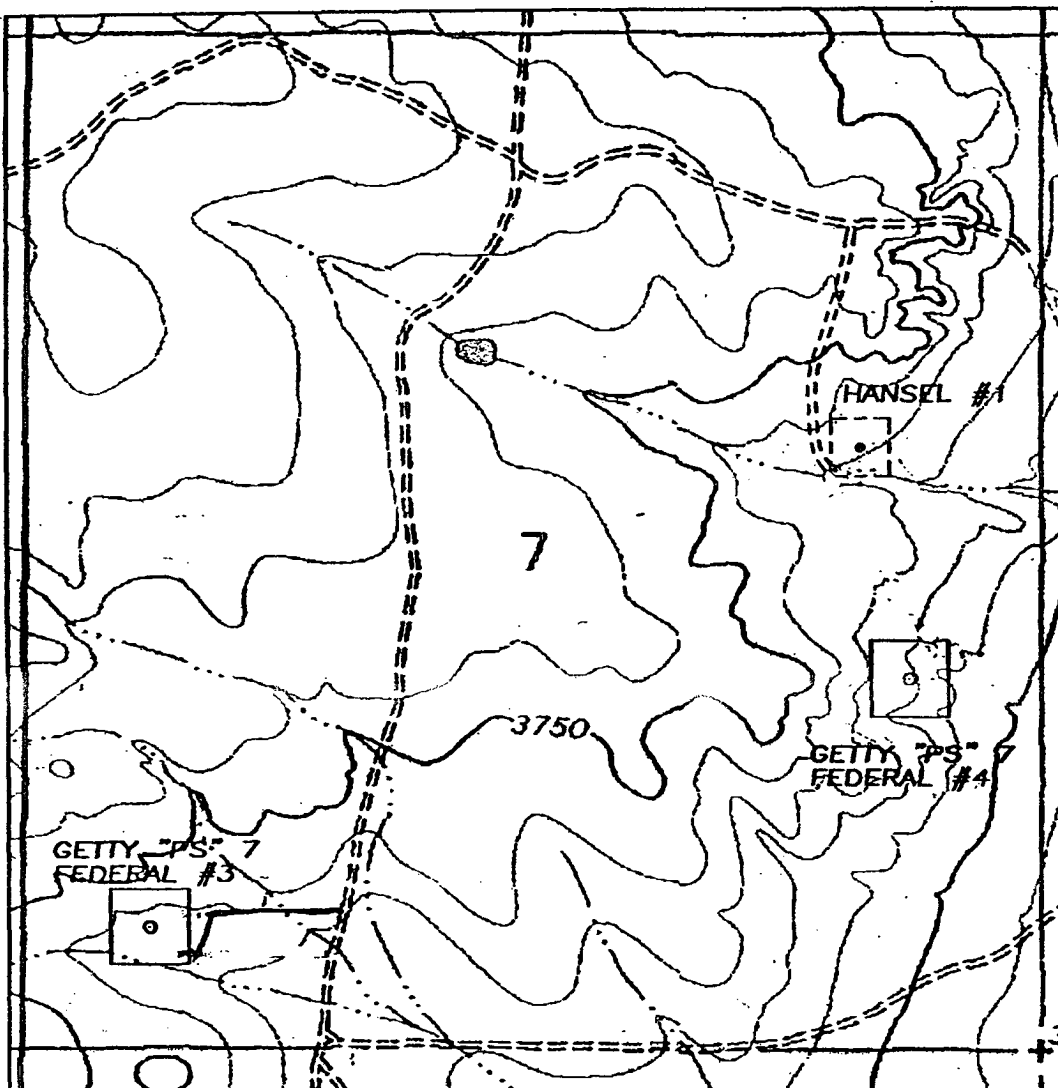
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

01/17/2006

  
Regulatory Agent



SECTION 7, TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.



Yates Petroleum Corporation  
 Getty "PS" 7 Federal #3  
 660' FSL and 660' FWL  
 Section 7-T6S-R26E  
 Chaves County, New Mexico  
 Exhibit "A-1"

1000' 0 1000' 2000'  
 Scale 1" = 1000'

THE PREPARATION OF THIS PLAN AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAN ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

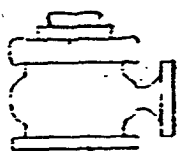
HERSCHEL L. JONES P.L.S. No. 3640

GENERAL SURVEYING COMPANY P.O. BOX 1928  
 LOVINGTON, NEW MEXICO 88260

**YATES PETROLEUM CORP.**

LEASE ROAD TO ACCESS THE YATES GETTY "PS" 7 FEDERAL #3 & 4, LOCATED IN SECTION 7, TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.

Survey Date: 8/23/2001	Sheet 1 of 1 Sheets
Drawn By: Ed Blaylock	W.O. Number
Date: 8/23/01	Scale 1" = 1000' GETTY



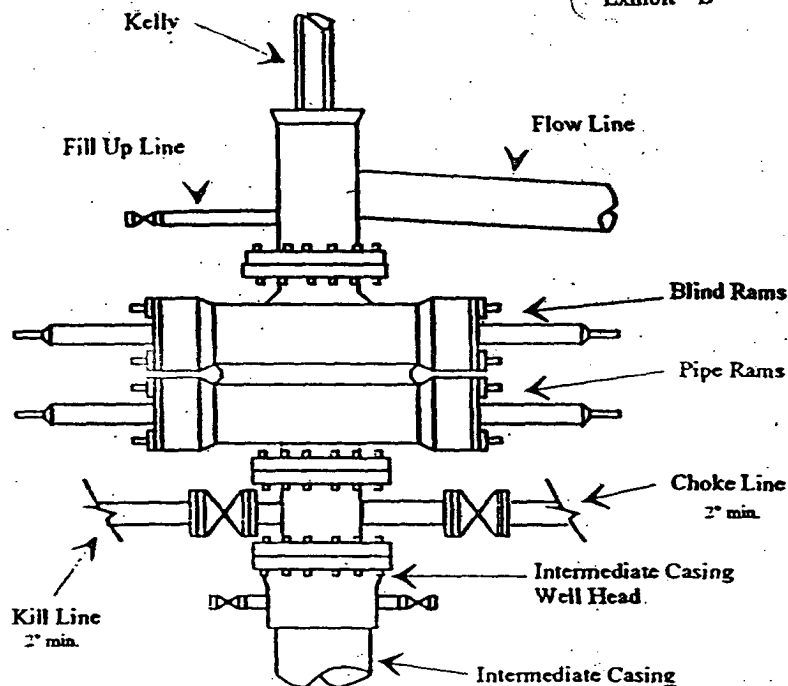
# Yates Petroleum Corporation

BOP-2

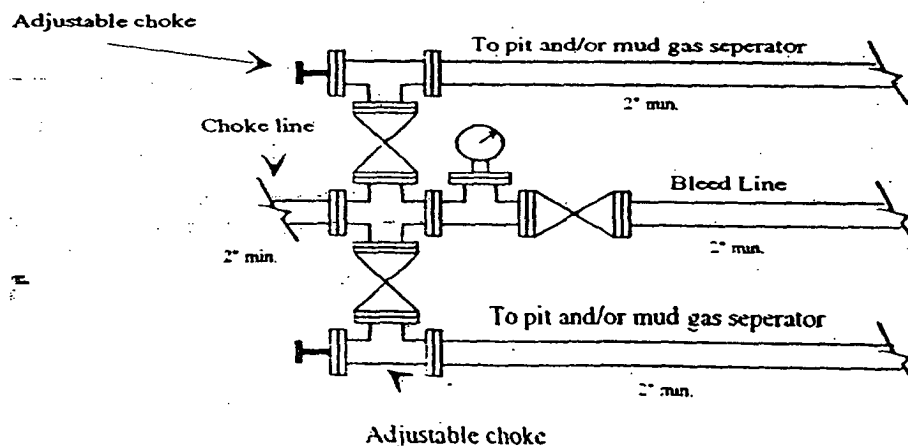
## Typical 2,000 psi Pressure System Schematic

### Double Ram Preventer Stack

Yates Petroleum Corporation  
Getty "PS" 7 Federal #3  
660' FSL and 660' FWL  
Section 7-T6S-R26E  
Chaves County, New Mexico  
Exhibit "B"



Typical 2,000 psi choke manifold assembly with at least these minimum features



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OPERATOR'S

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

## SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPPLICATE - FILE IN ITS RECORDS OFFICE AND SITE

## Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

Yates Petroleum Corporation

## 3a. Address

105 South Fourth Street, Artesia, NM 88210

## 3b. Phone No. (include area code)

(505) 748-1471

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FSL and 660' FWL, Unit M (Lot 4)  
Section 7, T6S-R26E

## 5. Lease Serial No.

NM-54988

## 6. If Indian, Allottee or Tribe Name

N/A

## 7. If Unit or CA/Agreement, Name and/or No.

N/A

## 8. Well Name and No.

Getty "PS" 7 Federal #3

## 9. API Well No.

## 10. Field and Pool, or Exploratory Area

Wildcat Precambrian

## 11. County or Parish, State

Chaves County, New Mexico

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change
Final Abandonment Notice	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Pad Size _____
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	_____

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation's has filed an Application for Permit to Drill on this well. After having a pre-drill onsite with BLM, it was requested that the drill pad be minimized. Attached is a minimized layout for the proposed drill pad of 140' x 240' with reserve pit of 100' x 100'.

Thank you.

## 14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Clifton R. May

Title

Regulatory Agent

Signature

Clifton R. May

Date

December 17, 2001

Approved by

Richard H. Hall

Title

EPS

Date

2-05-02

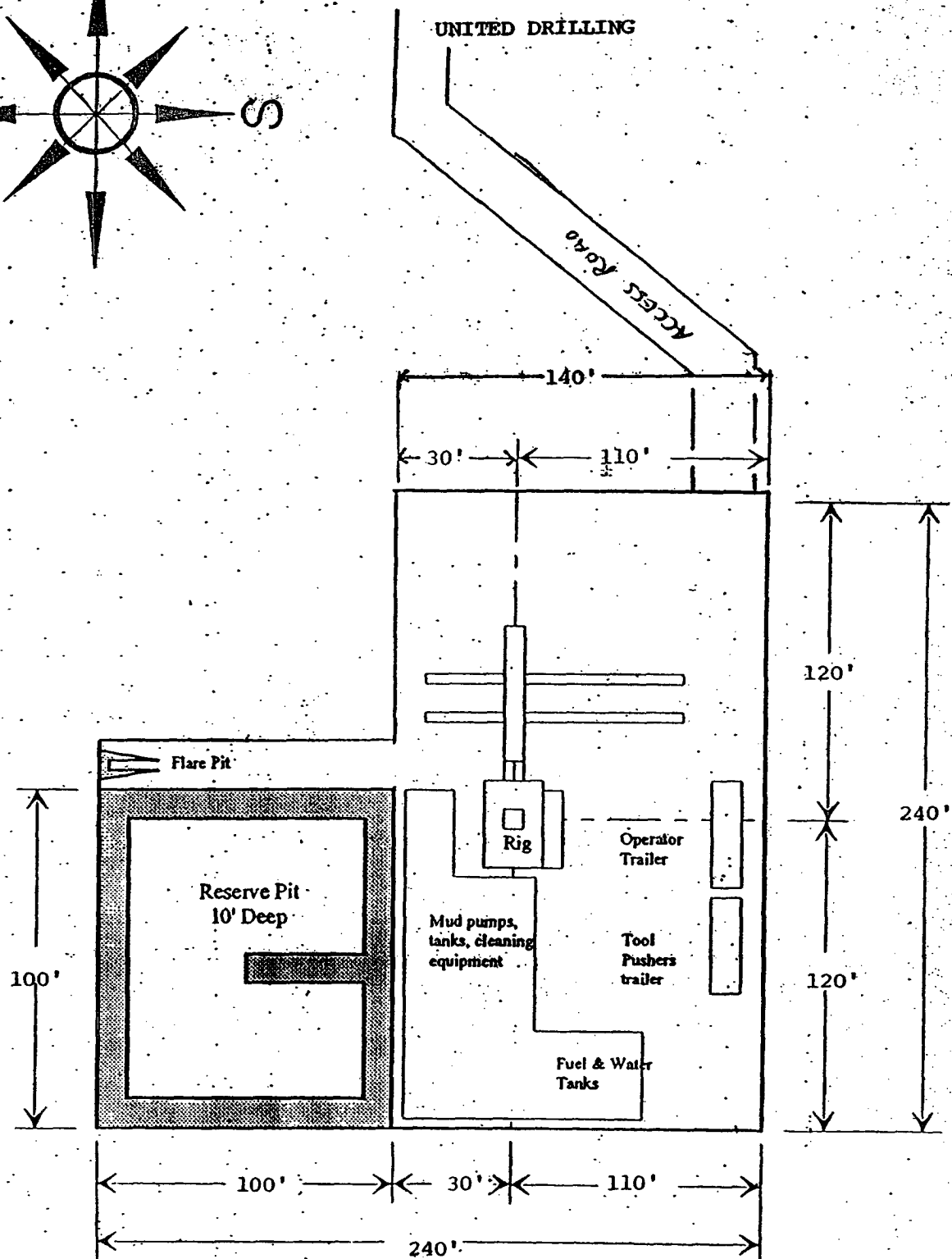
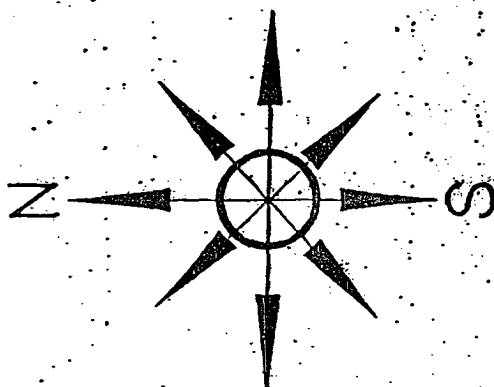
Conditions of approval, if any, are attached. Approval of this notice does not warrant Office certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

# Yates Petroleum Corporation

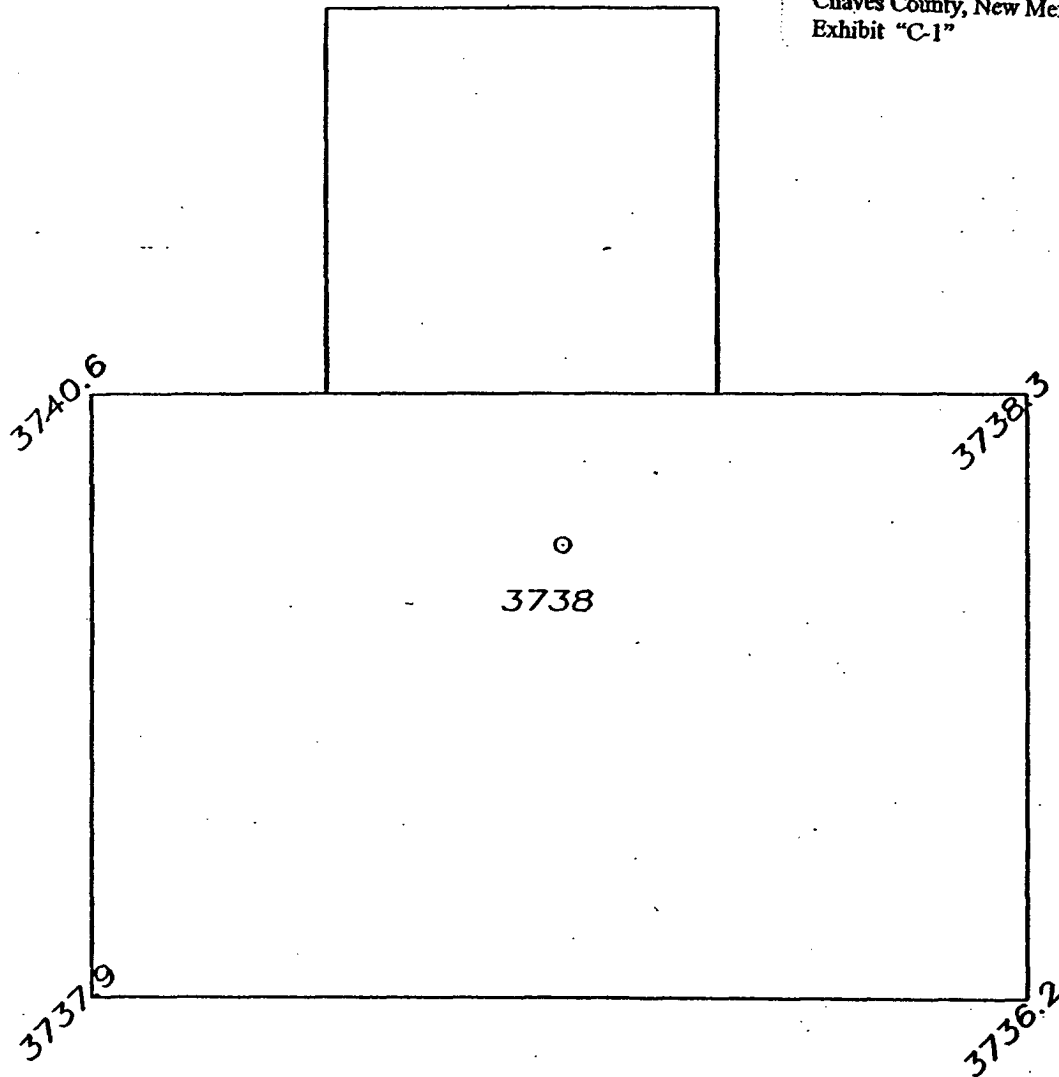
## Location Layout for Permian Basin



Distance from Well Head to Reserve Pit will vary between rigs

YATES PETROLEUM CORPORATION GETTY "PS" 7 FED.#3 660/S & 660/W  
SECTION 7, TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.

Yates Petroleum Corporation  
Getty "PS" 7 Federal #3  
660' FSL and 660' FWL  
Section 7-T6S-R26E  
Chaves County, New Mexico  
Exhibit "C-1"



50' 0 50' 100'  
Scale 1" = 50'

THE PREPARATION OF THIS PLAN AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAN ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEET THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

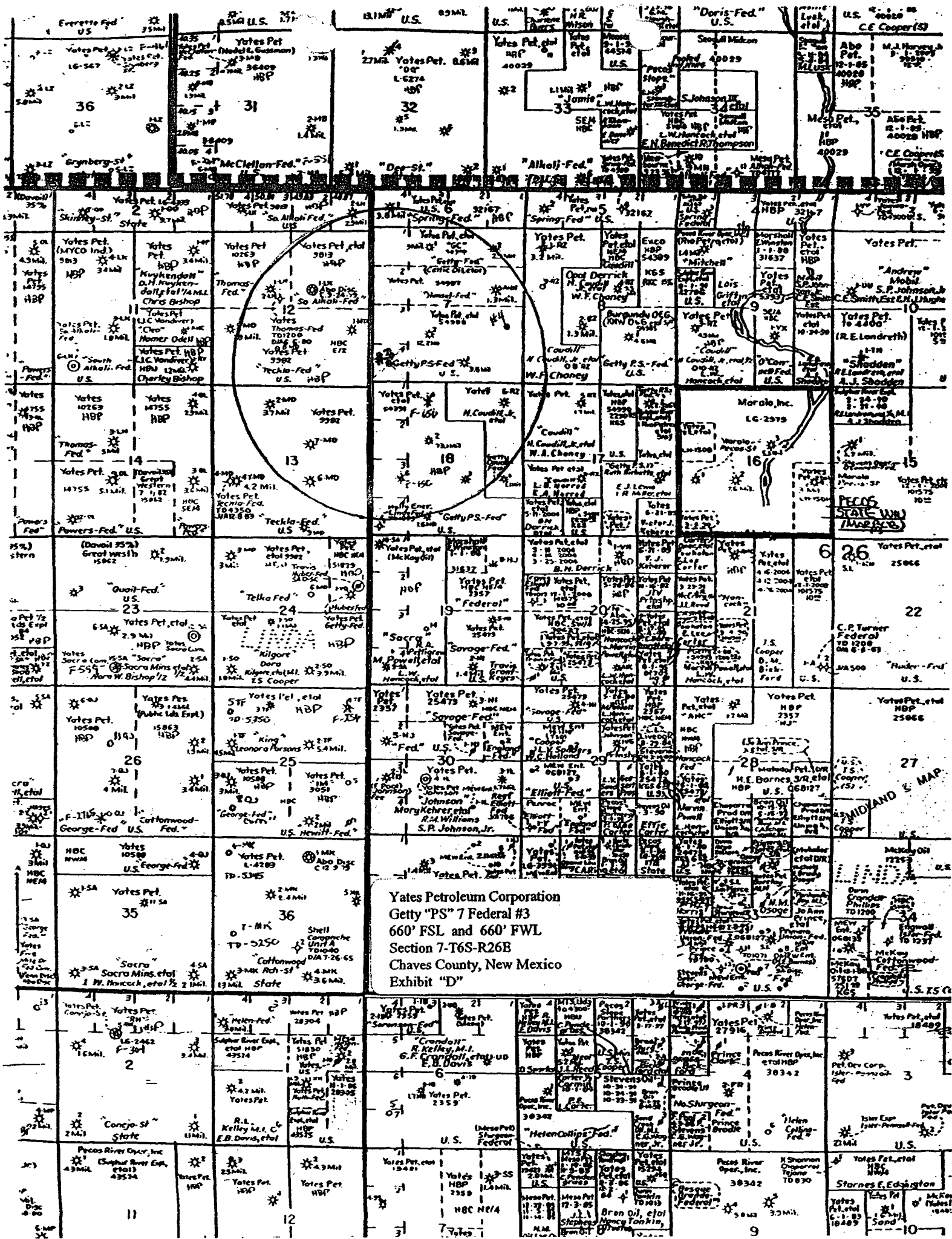
HERSCHEL L. JONES P.R.L.S. No. 3640

GENERAL SURVEYING COMPANY P.O. BOX 1928  
LOVINGTON, NEW MEXICO 88260

YATES PETROLEUM CORP.

WELL PAD PLAN VIEW ON THE YATES GETTY  
"PS" 7 FEDERAL #3 LOCATED 660/S AND  
660/W OF SECTION 7, TOWNSHIP 6 SOUTH,  
RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW  
MEXICO.

Survey Date: 12/01/99	Sheet 1 of 1 Sheets
Drawn By: Ed Blevins	W.O. Number
Date: 12/01/99	Scale 1" = 50' GETTY 3



Yates Petroleum Corporation  
Getty "PS" 7 Federal #3  
660' FSL and 660' FWL  
Section 7-T6S-R26B  
Chaves County, New Mexico  
Exhibit "D"

MIDLAND & MAP



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201

IN REPLY REFER TO:

Getty "PS" 7 Federal #3

NM-54988

Yates Petroleum Corporation shall adhere to the following;

A. Mitigation Measure: The Conditions of Approval attached to the previously approved APD are still imperative and shall be applicable in the approval of the resubmitted APD.

B. The following mitigating measure supersedes the original Condition of Approval:

#### **Exhibit B - WELL DRILLING REQUIREMENTS**

**7 of 8 pages**

#### **H. Painting Requirement:**

All above-ground structures (e.g.: meter houses, tanks, above ground pipelines, and related appurtenance, etc.) not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Supplemental Environmental Colors" intended to provide additional color choices in selecting the most appropriate color(s) for BLM facilities. The color selected for painting all the well facilities is;

**Olive Drab**, Supplemental Chart Number **18-0622 TPX**.