

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals

SUBMIT IN TRIPLICATE

1 Type of Well  
Oil  Gas   
 Well  Well  Other

NOV 19 2007

2. Name of Operator  
Yates Petroleum Corporation

OCD-ARTESIA

3. Address and Telephone No.  
105 South Fourth Street, Artesia, NM 88210 (505) 7481471

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
630' FSL & 2310' FWL Section 12-T24S-R29E (Unit N, SESW)

13. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing-
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other Addition to Off Lease	<input type="checkbox"/> Dispose Water
	Measurement, Surface Commingle Gas Only	(Note: Report results of multiple completion on Well completion or Recompletion Report and Log Form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Yates Petroleum Corporation respectfully request administrative approval for the addition to Off Lease Measurement, Surface Commingle Gas Only. Previously approved on August 30<sup>th</sup> 2007.

<b>State</b> Wyatt BHT State #1 Sec 6-T25S-R30E Pierce Crossing/Bone Spring Eddy County, NM	<b>State</b> Doc BHU State #1 Sec 5-T25S-R30E Pierce Crossing/Bone Spring East Eddy County, NM
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RECEIVED  
NOV 7 PM 2 31

The CDP is located at the Jester BFJ Federal #1 Please see attached plat and site facility diagram.

Diversified ownership. Owners were notified verbally. All in house subsidiaries.

The production from the Wyatt BHT State #1, and the Doc BHU State #1 is measured on lease and the sales point at a meter located on the Jester BFJ Federal #1 630' FSL 2310' FWL Sec 12-T24S-R29E Unit N.

The proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. Estimated daily gas production for the Wyatt BHT State #1 and for the Doc BHU State #1 is 400 mcf, per day for each well

The purpose of the Off Lease measurement & Surface Commingling, is to reduce operating costs for storage and treating, thereby extending the economic life of each well. Without approval for utilizing existing batteries on adjacent leases, it will become necessary to built separate facilities for each well. This will greatly increase costs and shorten the economic life of the well

The proposed commingling is necessary for economic operation of the above referenced leases.

We understand that the request approval will not constitute the granting of any right-of-way or construction rights not granted by the lease instrument. And, we will submit within 30 days an application for right-of-way approval to the BLM's Realty Section in your office if we have not already done so.

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

Signed Marta Beyer Title Production Secretary Date November 5, 2007  
(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_  
Conditions of approval, if any \_\_\_\_\_

Title 18 U.S.C. Section 1001, makes 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.

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 Hondo 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

Form O-111  
P-111-1165

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-015-34553	2. Pool Code 96403	3. Pool Name WILDCAT; BONE SPRING
4. Property Code 35385	5. Property Name WYATT BHT STATE	6. Well No 001
7. OGRID No 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3165

10. Surface Location

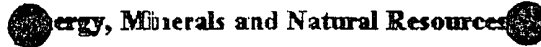
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	6	25S	30E		330	N	2310	E	EDDY

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
12. Dedicated Acres 40.50		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

	<b>OPERATOR CERTIFICATION</b>	
	<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: Debbie Caffall Title: Regulatory Agent Date: 1/19/2006</p>	
	<b>SURVEYOR CERTIFICATION</b>	
<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: Herschel Jones Date of Survey: 11/9/2005 Certificate Number: 3640</p>		



**District I**

1301 W. Grand Ave., Artesia, NM 88210  
Phone (505) 748-1293 Fax:(505) 748-9720

**Oil Conservation Division**

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1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone (505) 476-3470 Fax:(505) 476-3462

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-015-34552	2. Pool Code 96403	3. Pool Name WILDCAT; BONE SPRING
4. Property Code 35384	5. Property Name DOC BHU STATE	6. Well No. 001
7. OGRID No. 25575	8. Operator Name YATES PETROLEUM CORPORATION	9. Elevation 3223

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Km	Feet From	N/S Line	Feet From	E/W Line	County
O	5	25S	30E		330	S	2310	E	EDDY

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Km	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code		15. Order No.			

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	<p>E-Signed By: Debbie Caffall Title: Regulatory Agent Date: 1/18/2006</p>		
	<b>SURVEYOR CERTIFICATION</b>		
<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: Herschel Jones Date of Survey: 11/3/2005 Certificate Number: 3640</p>			

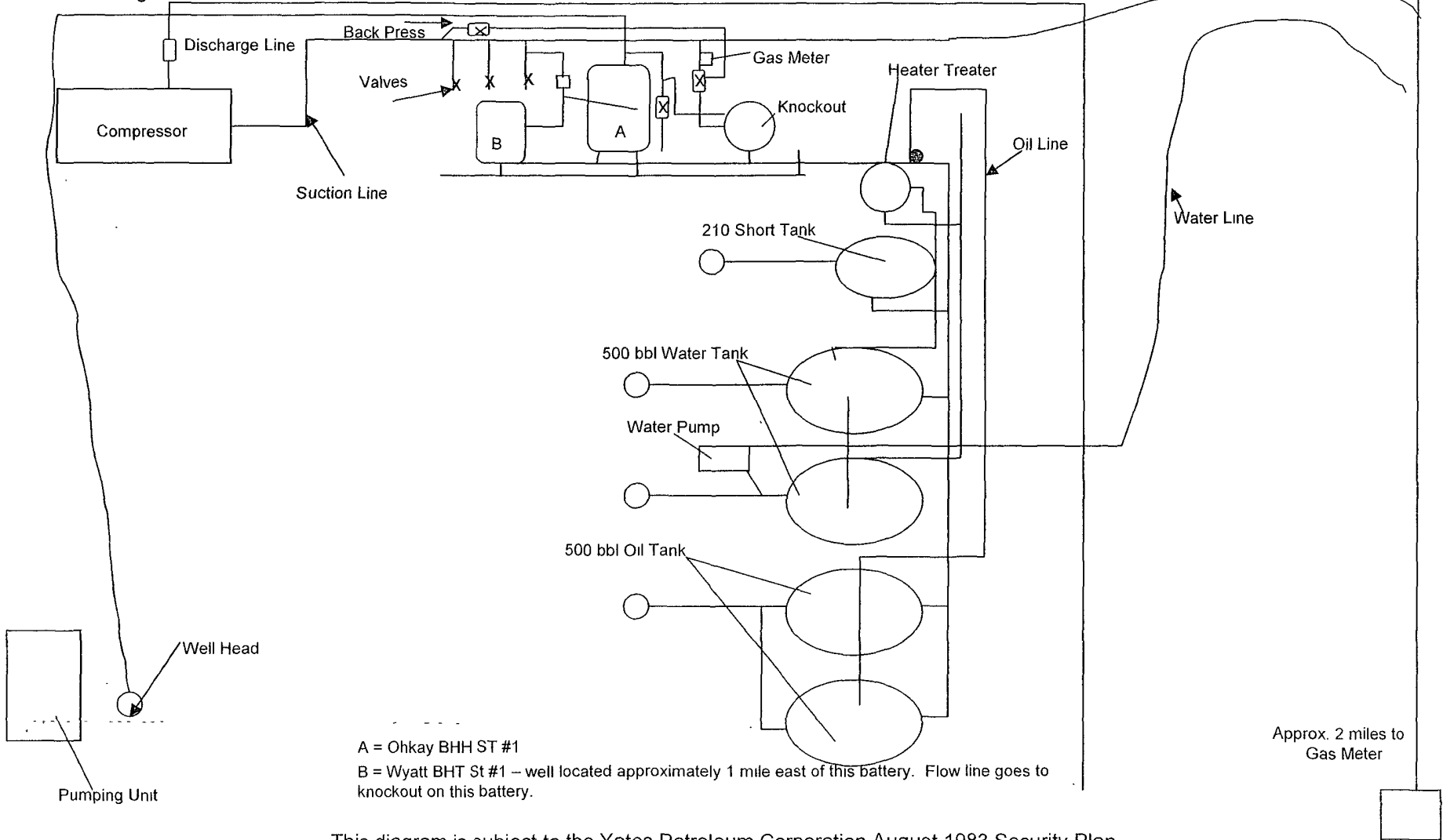


105 South 4<sup>th</sup> Street \* Artesia, NM 88210  
 (505)-748-1471  
 -Joe Chavez  
 August 2007

# OHKAY BHH ST #1 Battery

330'FNL & 330'FWL \* Sec6 - T25S - R30E \* Unit D  
 EDDY, NM  
 API - 3001534551

Approx. 6 miles to  
 Jester CDP



A = Ohkay BHH ST #1  
 B = Wyatt BHT St #1 - well located approximately 1 mile east of this battery. Flow line goes to knockout on this battery.

This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan which is on file at 105 South 4th Street, Artesia, NM

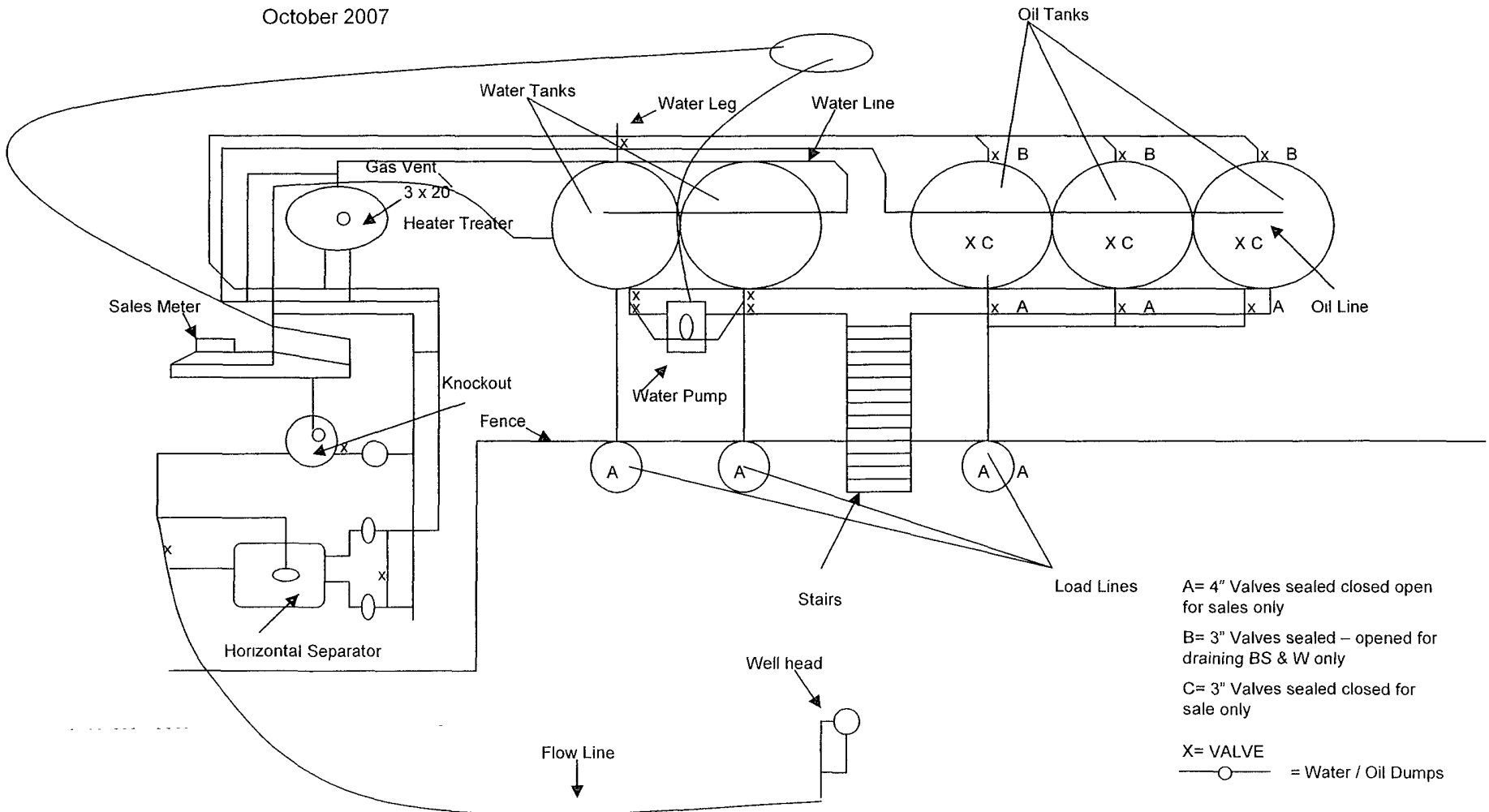


# DOC BHU STATE #1

330' FSL & 2310' FEL \* 05-25S-30E \* 1\* EDDY County, NM

105 South 4<sup>th</sup> Street \* Artesia, NM 88210  
(505)-748-1471

-Joe Chavez  
October 2007



A= 4" Valves sealed closed open for sales only  
 B= 3" Valves sealed – opened for draining BS & W only  
 C= 3" Valves sealed closed for sale only  
 X= VALVE  
 —○— = Water / Oil Dumps

**From:** Janet Richardson [janet@ypc.com]  
**Sent:** Thursday, October 18, 2007 2:02 PM  
**To:** 'Mayte Reyes'  
**Subject:** RE: Off Lease Measurement Status

Both the Wyatt and Doc are state of New Mexico leases owned by YPC 70%; YDC 10%; Myco 10% and Abo 10%. Thanks, Janet

A handwritten signature in black ink, appearing to read "Janet Richardson". The signature is written in a cursive style with a large, looping initial "J".