Form 3100-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FUKIM APPKUVED

	Exp	ires	Mai	ch	31,	200
					_	

SUNDRY I	NM-104620						
Do not use this	6. If Indian, Allottee or Tribe Name						
abandoned well.	Not Applicable						
SUBMIT IN TR	7. If Unit or CA/Agreement, Name and/o						
	Not Applicable						
1. Type of Well Oil Well Gas Well		8. Well Name and No					
Name of Operator	Other .			Catwoman BBC Federal #1H			
Yates Petroleum Corporation	າ 025575			9. API Well No.			
3a. Address	1 023373	3b. Phone No (include	area code)	30-015-35739			
105 South Fourth Street, Art	esia NM 88210	(575) 748-1471		10 Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec.,				Bunting Ranch; Wolfcamp			
1970' FSL & 476' FWL, Surfa		,		11. County or Parish, State			
1970' FSL & 660' FEL, Botto							
Section 20, T19S-R21E	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			Eddy County, New Mexico			
12. CHECK THE APPR	NOTICE, RE	EPORT, OR OTHER DATA					
TYPE OF SUBMISSION		TYPE OF	F ACTION				
X Notice of Intent	Acidize Alter Casing	Deepen [Production ((Start/Resume) Water Shut-Off Well Integrity			
Subsequent Report Casing Repair New Construction Recomplete							
	Abandon APD						
Final Abandonment Notice Convert to Injection Plug Back Water Disposal							
13 Describe Proposed or Completed Operation the proposal is to deepen directionally or a Attach the Bond under which the work we following completion of the involved oper testing has been completed. Final Abando determined that the site is ready for final to	recomplete horizontally, give substitute the Borelonned or provide the Borelons. If the operation results in a comment Notices must be filed only a	urface locations and measured and no. on file with BLM/BIA R multiple completion or recomple	I true vertical depth Required subsequent tion in a new interv	ns of all pertinent markers and zones. It reports must be filed within 30 days val, a Form 3160-4 must be filed once			
Value D. Isalassa O. sasari'	Salara I	C A DE	2 (t (0)				

Yates Petroleum Corporation wishes to extend the captioned well's APD for two (2) years to July 30, 2011. Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found from the surface through the Wolfcamp formation to meet the OCD's requirements for the submission of a contingency plan per Rule 118.

SEE ATTACHED FOR

CONDITIONS OF APPROPRIES OF AP	VAL ENDING 7-30-11
14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed)	Title
/ / Cy Cowan	Regulatory Agent / Land Department
lignatify Conq	Date June 30, 2009
THIS SPACE	FOR FEDERAL OR STATE USE
Approved by /s/ Don Peterson	THELD MANAGER Date JUL 2-7 2009
Conditions of approval, if any, are attached. Approval of this notice does receively that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon	

APPROVED FOR 24 MONTH PERIOD

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 Salses intitious or fraudulent statements or representations as to any matter within its jurisdiction.

Thank you.

DISTRICT | 1825 N. French Dr., Hobbs, NM 88240 DISTRICT || 1301 W. Grand Avenue, Artesia, NM 8821

1000 Rio Brazos Rd., Aztec, NM 87410

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

ADI Number

DISTRICT III

DISTRICT IV

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102 Revised October 12, 2005

Submit to Appropriate District Office

Pool Name

State Lease — 4 Copies
Fee Lease — 3 Copies

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, New Mexico 87505

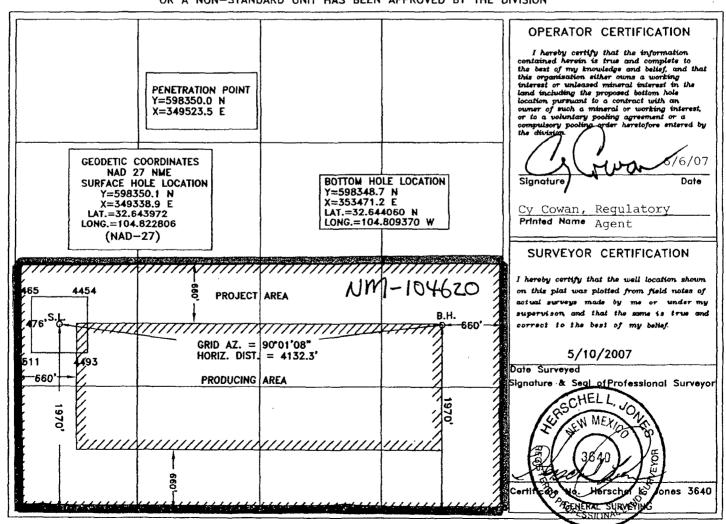
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

API Number			Pool Code							
				77605	5 Bu	Ting Ranc	h Wolfcam	ηp	_	
Property Code					Property Nam	Well Number				
36650 OGRID No.			CATWOMAN BBC FEDERAL					1H		
OGRID No.				Operator Name					Elevation	
025575		YATES PETROLEUM CORPORATION						4485		
					Surface Loc	ation				
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
L	20	198	21E		1970	SOUTH	476	WEST	EDDY	
	<u> </u>	J	Bottom	Hole Loc	ation If Differe	ent From Surfac	8	<u> </u>	· †···················	
UL or lot No.	Section	Township	Range	Lot Idn	feet from the	North/South line	Feet from the	East/West line	County	
ı	20	195	21E		1970	SOUTH	660	EAST	EDDY	
Dedicated Acres	Joint o	r Infill Co	onsolidation C	ode Or	der No.				_ 	
320		İ		İ						

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



PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:

LEASE NO.:

WELL NAME & NO.:

SURFACE HOLE FOOTAGE:

BOTTOM HOLE FOOTAGE

LOCATION:

COUNTY:

COG Operating LLC

NMNM-0397623

Catwoman BBC Federal #1H

1970' FSL & 476' FWL

1970' FSL & 660' FEL

Section 20, T. 19 S., R 21 E., NMPM

Eddy County, New Mexico

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

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Final Abandonment/Reclamati	on '

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Prior to drilling an updated rig layout will be submitted showing closed loop system

Aplomado falcon:

In order to minimize impacts to aplomado falcon, the following Conditions of Approval will apply:

- No yuccas or trees over 5 feet in height will be damaged, to protect nesting structures.
- All active raptor nests will be avoided by a minimum of 400 meters by all activities or curtail activities until fledging is complete. All inactive raptor nests will be avoided by a minimum of 200 meters by all activities.
- Well pad size will not exceed 300 ft. x 390 ft.
- All roads associated with well development will not exceed 30 ft in width
- Reserve pits for drilling and disposal are not allowed unless the pit can be effectively netted to the satisfaction of the BLM. Steel tank circulation system must be used if the reserve pit is not netted.
- All unused portions of the well pad associated with producing wells will be reclaimed following the abandoned well protocol below
- Final abandonment protocol: Remove all caliche from well pads and roads that are plugged and abandoned. Reclamation will consist of disking, mulching, seeding with a drill (See seed mixture below), and application of water to encourage seed germination.

Buffalograss (Buchloe dactyloides)

Blue grama (Bouteloua gracilis)

Cane bluestem (Bothriochloa barbinodis)

Sideoats grama (Boutelou curtipendula)

Plains bristlegrass (Setaria macrostachya)

4 lbs/acre
5 lbs/acre
6 lbs/acre

Visual Impacts

To minimize the visual impacts the following COA(s) will apply:

Above-ground structures including meter housing that are not subject to safety requirements are painted a flat non-reflective paint color Shale Green, Munsell Soil Color No. 5Y 4/2"

Low-profile tanks not greater than eight feet high shall be used to minimize visual impacts to the natural features of the landscape.

The proposed construction will be limited to the approved pad size.

Any existing tanks will be replaced with a low profile tank and painted the same color as the proposed tanks.

Upon completion of the well and installation of the production facilities (if the well is a producer) the pad will be reclaimed back to a size necessary for production operations

only. The edges will be recontoured and the extra caliche and pad material will be hauled off-site. The BLM may require additional reclamation depending upon vegetation recovery.

The reclaimed area will be recontoured and reseeded according to vegetation and soil type.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5972 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall stockpile the topsoil of the well pad. The topsoil shall not be used to backfill the reserve pit and will be used for interim and final reclamation.

C. RESERVE PITS

Closed Loop System: V-door west

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

If the operator elects to surface the access road and/or well pad, mineral materials extracted during construction of the reserve pit may be used for surfacing the well pad and access road and other facilities on the lease.

Payment shall be made to the BLM prior to removal of any additional federal mineral materials from any site other than the reserve pit. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation.

The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed thirty (30) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low-areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

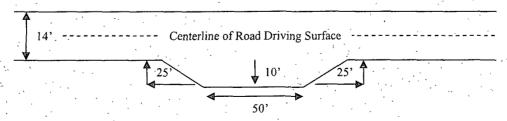
Ditching

Ditching shall be required on both sides of the road.

Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall be constructed on all blind curves. Turnouts shall conform to the following diagram:

Standard Turnout - Plan View

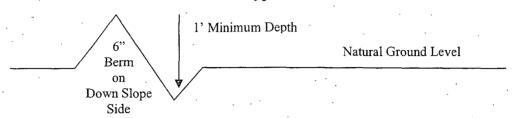


Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope:
$$\frac{400'}{4\%}$$
 + 100' = 200' lead-off ditch interval

Culvert Installations

Appropriately sized culvert(s) shall be installed at the deep waterway channel flow crossing.

Cattleguards

An appropriately sized cattleguard(s) sufficient to carry out the project shall be installed and maintained at fence crossing(s).

Any existing cattleguard(s) on the access road shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattleguard(s) that are in place and are utilized during lease operations.

A gate shall be constructed and fastened securely to H-braces.

Fence Requirement

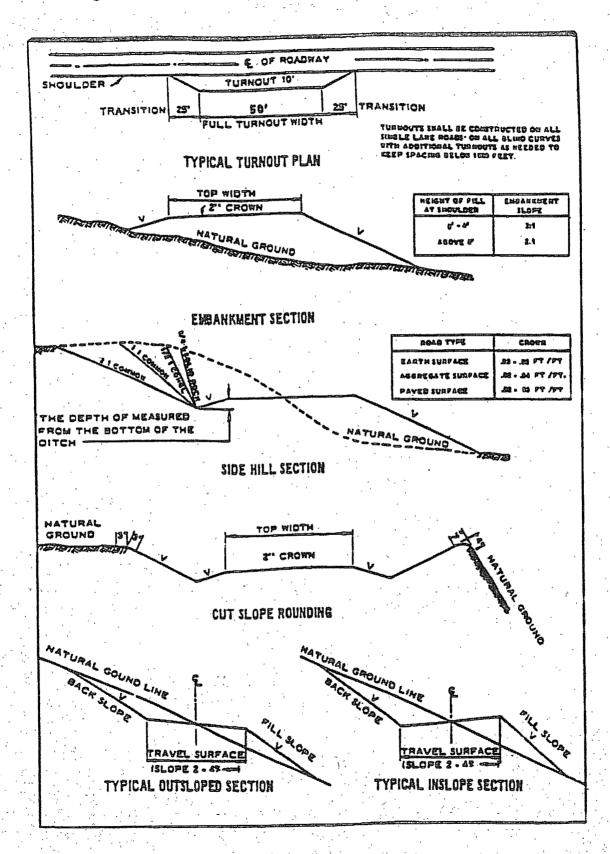
Where entry is required across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting.

The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fence(s).

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Figure 1 - Cross Sections and Plans For Typical Road Sections



VII. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOPE tests

Eddy County

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

- 1. Although Hydrogen Sulfide has not been reported in the area, it is always a potential hazard. If Hydrogen Sulfide is encountered, please report measured amounts and formations to the BLM.
- 2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
- 3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

B. CASING

Changes to the approved APD casing and cement program require submitting a sundry and receiving approval prior to work. Failure to obtain approval prior to work will result in an Incident of Non-Compliance being issued.

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. See individual casing strings for details regarding lead cement slurry

requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

MEDIUM CAVE/KARST

Possible lost circulation in the San Andres, Glorieta, and Wolfcamp formations. Possible high pressure gas bursts in the Wolfcamp.

- 1. The 9-5/8 inch surface casing shall be set at approximately 1500 feet and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
 - b. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The minimum required fill of cement behind the 5-1/2 inch production casing is
 - Cement to surface. If cement does not circulate see B.1.a, c-d above.

 Centralizers required on horizontal leg, minimum of one every other joint.

Contingency casing program:

- 3. The minimum required fill of cement behind the 7 inch intermediate casing is:
 - Cement should tie-back at least 500 feet into previous casing string. Operator shall provide method of verification.
- 4. The minimum required fill of cement behind the 4-1/2 inch production casing is:
 - Cement to come to top of liner. Operator shall provide method of verification.

 Centralizers required on horizontal leg, minimum of one every other joint.

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 3000 (3M) psi.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The tests shall be done by an independent service company.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
 - e. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the **Wolfcamp** formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
 - f. Effective November 1, 2008, no variances will be granted on reduced pressure tests on the surface casing and BOP/BOPE. Onshore Order 2 requirements will be in effect.

D. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the **Wolfcamp** formation, and shall be used until production casing is run and cemented.

E. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

CRW 070909

VIII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Containment Structures

The containment structure shall be constructed to hold the capacity of the entire contents of the largest tank, plus 24 hour production, unless more stringent protective requirements are deemed necessary by the Authorized Officer.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color Shale Green, Munsell Soil Color Chart # 5Y 4/2

VRM Facility Requirement

Low-profile tanks not greater than eight-feet-high shall be used.

B. PIPELINES

C. ELECTRIC LINES

IX. INTERIM RECLAMATION & RESERVE PIT CLOSURE

A. INTERIM RECLAMATION

If the well is a producer, interim reclamation shall be conducted on the well site in accordance with the orders of the Authorized Officer. The operator shall submit a Sundry Notices and Reports on Wells (Notice of Intent), Form 3160-5, prior to conducting interim reclamation.

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

The operators should work with BLM surface management specialists to devise the best strategies to reduce the size of the location. Any reductions should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

X. FINAL ABANDONMENT & REHABILITATION REQUIREMENTS

Upon abandonment of the well and/or when the access road is no longer in service the Authorized Officer shall issue instructions and/or orders for surface reclamation and restoration of all disturbed areas.

On private surface/federal mineral estate land the reclamation procedures on the road and well pad shall be accomplished in accordance with the private surface land owner agreement.