

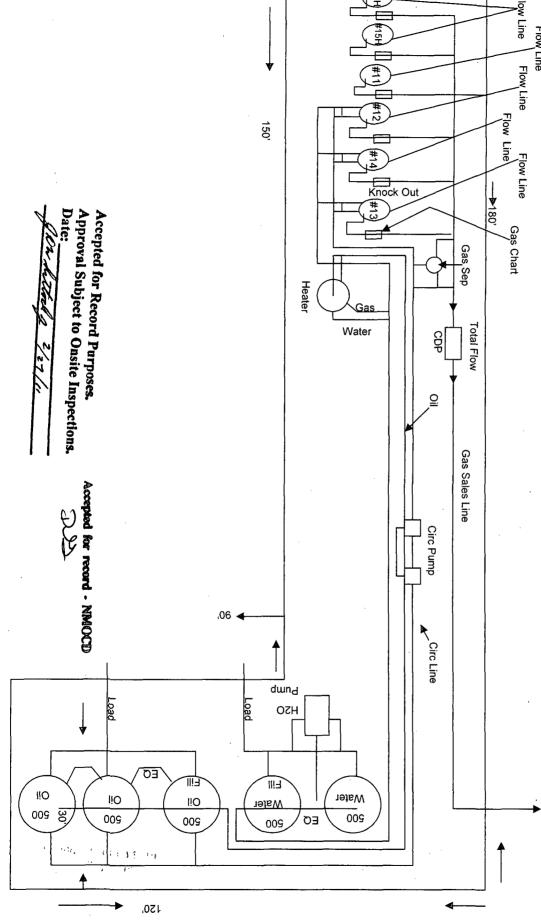
GLOW WORM "ALX" BATTERY

Sec 4- T23S- R31E * Unit B Eddy County, NM NM 81953

70-015-76369

TO BLM POINT OF MEASUREMENT METER #722154-00

330' FNL 2160' FEL (NWNE) Sec 2 T23S R31E





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

OPERATOR'S COPY

FORM APPROVED UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR (June 1990) Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5 Lease Designation and Serial No. NM-81953 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian. Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Glow Worm ALX Federal #16H Oil Gas Well X Well Other 9. API Well No. 2. Name of Operator 30-015-36369 Yates Petroleum Corporation 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. 105 South Fourth Street, Artesia, NM 88210 (505) 7481471 Salt Lake/ Delaware 4. Location of Well (Footage, Sec., T., R., M., or Survey Description 11. County or Parish, State 200' FNL & 900' FEL, Sec. 4-T23S-R31E (Unit A, NENE) SHL Eddy Co., NM 330' FSL & 900' FEL, Sec. 4-T23S-R31E (Unit P, SESE) BHL CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent Abandonment New Construction Recompletion Subsequent Report Plugging Back Non-Routine Fracturing-Water Shut-Off Casing Repair Final Abandonment Notice Altering Casing Conversion to Injection Other Off I ease Measuremen Dispose Water (Note: Report results of multiple 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* Yates Petroleum Corporation respectfully request the addition of the Glow Worm ALX Federal #16H to prior approvals for off lease measurement. The gas from the Glow Worm ALX Federal #11, Glow Worm ALX Federal #12, Glow Worm ALX Federal #13, Glow Worm ALX Federal #14, Glow Worm ALX Federal #15H, and the Glow Worm ALX Federal #16H will be measured on lease #81953. The gas from the Glow Worm ALX Federal #11, Glow Worm ALX Federal #12, Glow Worm ALX Federal #13, Glow Worm ALX Federal #14, Glow Worm ALX Federal #15H, and the Glow Worm ALX Federal #16H BLM point of measurement will be off lease at Duke CDP meter #722154-00 located between Section 35-T22S-R31E, and Section 2-T23S-R31E.

SEE Confe Yates is also requesting future wells to be drilled be included in this application: Glow Worm ALX Federal #4H sec3-23S-31E, Glow Worm ALX Federal #9H sec3-23S-31E, Glow Worm ALX Federal #10H sec3-23S-31E, and Glow Worm ALX Federal #19H sec3-23S-31E. Same pools. Identical ownership. The off lease measurement of production is in the interest of conservation, economic feasibility, and will not result in reduced royalty or improper measurement of production. 14. I hereby certify that the foregoing is true d correct Signed Date December 21, 2010 (This space for Federal or State office use) -/s/ JD Whitlock Jr Title Approved by Conditions of approval, if any -Submit a diagram which identifies all flow ringly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements lines, sales points and give location of gas *See Instruction on Reverse Side sales (transfer point) meter if it is not at this

6 SUBMITWITHIN 30 days

facility. Include gas sales meter station name

and/or number and location of meter to include ¼ ¼, Section, Township and Range. STE ATTACHED FOR CONDITIONS OF AFFIROVAL