

Yates Petroleum Corporation  
Closed Loop System

HOBBS OCD

JUL 22 2015

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Equipment Design Plan

Closed Loop System will consist of:

1 – double panel shale shaker

1 – (minimum) Centrifuge, certain wells and flow rates may require 2 centrifuges

On certain wells, the Centrifuge will be replaced by a Clackco Settling Tank System

1 – minimum centrifugal pump to transfer fluids

2- 500 bbl. FW Tanks

1 – 500 bbl. BW Tank

1 – half round frac tank – 250 bbl. capacity as necessary to catch cement / excess mud returns generated during a cement job.

1 Set of rail cars / catch bins

Certain wells will use an ASC Auger Tank

30-025-42703

Operation Plan

All equipment will be inspected at least hourly by rig personnel and daily by contractors' personnel.

Any spills / leaks will be reported to YPC, NMOCD, and cleaned up without delay.

Closure Plan

Drilling with Closed Loop System, haul off bins will be taken to Gandy Marley, Lea Land Farm, CRI or Sundance Services Inc.

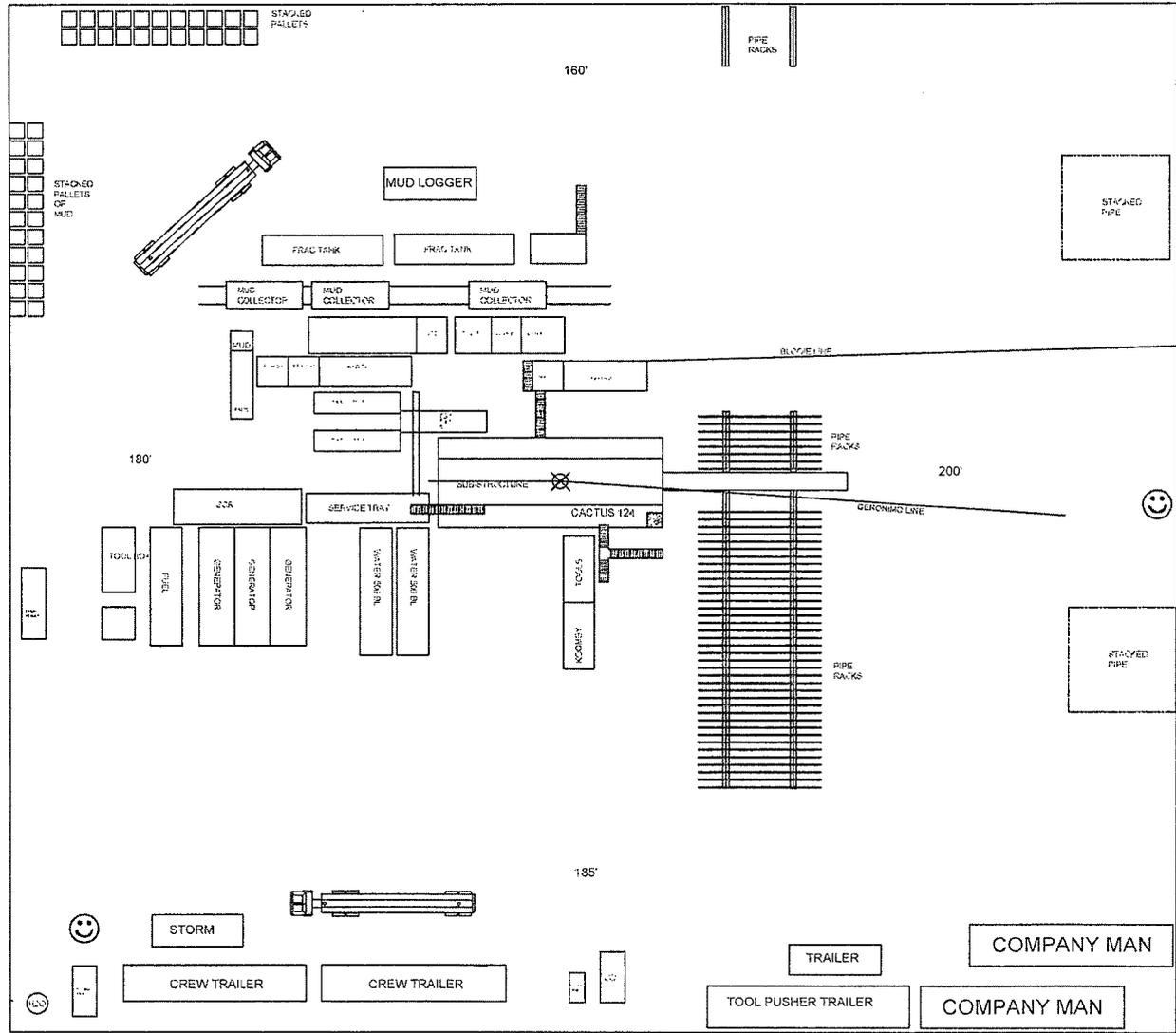
JUL 23 2015

# YATES PETROLEUM CORPORATION

## CACTUS 124

07-24-13

345.00



380.00

 Safe Briefing Area with caution signs and breathing equipment  
 Wind Direction Indicators  
 H2S Monitor with alarm at the well nipple  
**PAD LAYOUT**  
 Scale: 1 inch = 60 feet  
 07-24-13

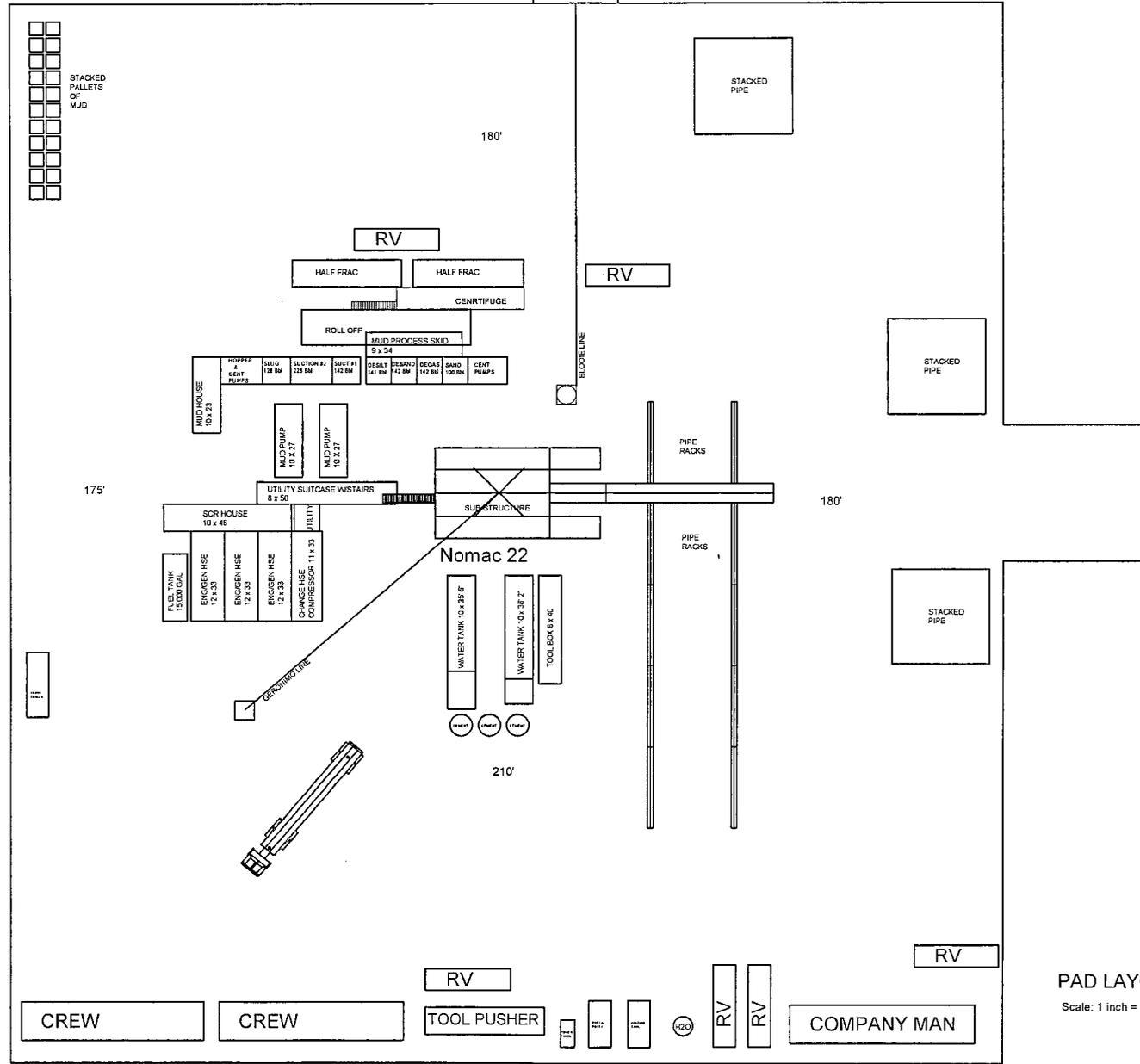
# YATES PETROLEUM CORPORATION

## Nomac 22

06-24-13

FLARE PIT

390.00



355.00

PAD LAYOUT  
Scale: 1 inch = 60 feet