

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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|---|
| ¹ Operator Name and Address Yates Petroleum Corporation 105 S. 4 th Street Artesia, NM 88210 | | ² OGRID Number 025575 |
| | | ³ API Number 30-025-28872 |
| ⁴ Property Code 26162 | ⁵ Property Name Keller ATF State | ⁶ Well No. 1 |
| ⁹ Proposed Pool 1 Antelope Ridge; Cherry Canyon, South | | ¹⁰ Proposed Pool 2 |

⁷ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|--------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no. G | Section 21 | Township 23S | Range 34E | Lot Idn G | Feet from the 1750 | North/South line North | Feet from the 1980 | East/West line East | County Lea |
|--------------------|---------------|-----------------|--------------|--------------|-----------------------|---------------------------|-----------------------|------------------------|---------------|

⁸ Proposed 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

Additional Well Information

| | | | | |
|---|-------------------------------------|---|------------------------------------|---|
| ¹¹ Work Type Code P | ¹² Well Type Code O | ¹³ Cable/Rotary N/A | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3486' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth N/A | ¹⁸ Formation Mississippian | ¹⁹ Contractor N/A | ²⁰ Spud Date ASAP |
| Depth to Groundwater N/A | | Distance from nearest fresh water well N/A | | Distance from nearest surface water N/A |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

²¹ Proposed Casing and Cement Program

| | | | | | |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
| | | | | | |
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²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to plug back and recompleat as follows:

Set CIBP @ 12250' and dump 35' cement on plug. Run CBL from 8500' to at least 7000'. Perforate Delaware Cherry Canyon sand 7254-7280' w/54 holes (2 SPF, 90° phasing and stimulate.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway/
Plugback

| | | | |
|--|---------------------|---|------------------|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD approved plan <input type="checkbox"/> . | | OIL CONSERVATION DIVISION | |
| Signature: <i>Stormi Davis</i> | | Approved by: ORIGINAL SIGNED BY PAUL F. KAUTZ | |
| Printed name: Stormi Davis | | Title: PETROLEUM ENGINEER | |
| Title: Regulatory Compliance Technician | | Approval Date: | Expiration Date: |
| E-mail Address: stormid@ypcnm.com | | JUL 05 2006 | |
| Date: 5-15-06 | Phone: 505-748-1471 | Conditions of Approval Attached <input type="checkbox"/> | |

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|--|--|--|--|---|---|
| ¹ API Number 30-025-28872 | | ² Pool Code 70450 2215 | | ³ Pool Name Antelope Ridge; Cherry Canyon, South | |
| ⁴ Property Code 26162 | | ⁵ Property Name Keller ATF State | | | ⁶ Well Number 1 |
| ⁷ OGRID No. 025575 | | ⁸ Operator Name Yates Petroleum Corporation | | | ⁹ Elevation 3486' GR |

| ¹⁰ Surface Location | | | | | | | | | |
|--------------------------------|----------------------|------------------------|---------------------|---------------------|------------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| UL or lot no. G | Section 21 | Township 23S | Range 34E | Lot Idn G | Feet from the 1750 | North/South line North | Feet from the 1980 | East/West line East | County Lea |

| ¹¹ 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 |
| ¹² Dedicated Acres 40 ✓ | | 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

| | |
|---|---|
| <div style="position: relative; width: 100%; height: 100%;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> <div style="border: 2px solid black; width: 150px; height: 150px; margin: 0 auto;"></div> <div style="position: absolute; top: -50px; left: 50%; transform: translate(-50%, -50%);">1750'</div> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);">1990'</div> </div> </div> | <p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Stormi Davis</i> Signature</p> <p>Stormi Davis Printed Name</p> <p>Regulatory Compliance Technician Title and E-mail Address</p> <p>stormid@ypcnm.com Title and E-mail Address</p> <p>Date 5-15-06</p> |
| | <p>¹⁸ 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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> |
| | <p>Certificate Number</p> |
| | |