District III Oil Conservation Division APR 2 2 2008 1000 Rio Brazos Road, Aztec, NM 87410 1220 South St. Francis Dr., Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A Operator Name and Address	NDED REPORT							
District IV 1220 South St. Francis Dr. 1220 South St. Francis Dr. Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD	NDED REPORT							
1220 S. St. Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD								
	AZONE							
	A LONE							
	/							
105 S 4 th Street ³ API Number								
	30-025-34898							
34507East Sand Springs BFZ State3								
⁹ Proposed Pool 1 Sand Springer Ale	¹⁰ Proposed Pool 2							
Sand Springs; Abo ⁷ Surface Location								
UL or lot no Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line	County							
N 6 11S 35E 1000 South 1400 West	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								
	evel Elevation							
P O N/A S 418	32'GR							
	²⁰ Spud Date ASAP							
Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water								
Pit: Liner: Syntheticmils thick ClayPit Volume: bblsDrilling Method								
	/Air							
²¹ Proposed Casing and Cement Program								
	mated TOC							
Satisfy Size Stating weight for Setting Depth Satisfy Content Estin	Estimated TOC							
IN PLACE								
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 p Describe the blowout prevention program, if any. Use additional sheets if necessary.	productive zone							
Yates Petroleum Corporation plans to plugback and recomplete this well as follows: Set a CIBP at 12,350' with 35' cement of 2 nd CIBP at 12,050' with 35' cement on top. Perforate Abo 9174'-9212' (76). Stimulate as needed. Run appropriate product turn well to production.	on top. Set a tion string and							
Permit Expires 2 Years 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	OIL CONSERVATION DIVISION							
constructed according to NMQCD guidelines , a general permit , or Approved by	Approved by							
an (attached) alternative OCD-approved plan .								
Signature Dreamenta	PETPOLISIA							
Printed name. Tina Huerta Title PEIROLEUM ENGINEER	Title PETROLEUM ENGINEER							
Title Regulatory Compliance Supervisor Approval Date. APR 3 0 2008 Expiration Date.	Approval Date. APR 3 0 2008 Expiration Date.							
E-mail Address: tinah@ypcnm.com CONDITIONS OF APPROVAL Intent to								
Date April 21, 2008 Phone 575-748-4168 drill ONLY CANNOT produce until the	drill ONLY CANNOT produce until the Non-Standard Location has been							
approved by OCD Santa Fe office	<u></u>							

Yates Petroleum Corporation

Typical **3**,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features





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Morrow perfs 12074-96', 12162-242' Austin Cycle perfs 12370-400' Mississippian perfs 12666-80', 12712-28', 66-78' 5 1/2" csg @ 13458'. Cmtd w/ 1550 sx. TOC 6200' by CBL.

SKETCH NOT TO SCALE

CIBP@12350+35'cmt

TD 13460' PBTD 13419' District 1 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

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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 October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ AP1 Number			² Pool Code		³ Pool Name					
30-025-34898				96803	-	Sand Springs; Abo				
⁴ Property Code		⁵ Property Name							⁶ Well Number	
34507				East Sand Springs BFZ State					3	
⁷ OGRID No.				⁸ Operator Name					⁹ Elevation	
02557		Yates Petroleum Corporation						4182'GR		
¹⁰ Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West	line County	
Ν	6	11S	35E		1000	South	1400	West	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	s ¹³ Joint of	r Infill ¹⁴ C	onsolidation	Code ¹⁵ Or	der 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.

1 1 2	1			
16				¹⁷ OPERATOR CERTIFICATION
				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 or has a right to drill this well at this
				location pursuant to a contract with an owner of such a mineral or working
1				interest, or to a voluntary pooling agreement or a compulsory pooling
				order heretofore entered by the livision
				April 21, 2008
				Signature Date
!				Signature - Date
		· · · · · · · · · · · · · · · · · · ·		Tina Huerta
1				Printed Name
			/	
Lot 4	Lot 3	Lot 2	Lot 1	
				¹⁸ SURVEYOR CERTIFICATION
			1	I hereby certify that the well location shown on this
1	1	1	1	plat was plotted from field notes of actual surveys
	1	1	1	made by me or under my supervision, and that the
	1			1
	í I			same is true and correct to the best of my belief
	1	1		
			······	Date of Survey
	1 1		1	Signature and Seal of Professional Surveyor
			ı	-,
		 	I	
		J J		
1		ې ډ		
. I			1	
1			1	Certificate Number