District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Yates Petroleum	OGRID Number 25575			
105 South Four	105 South Fourth St. Artesia, NM 88210			
Property Code 12691	Property Name Rolla TC	Well No. 003		

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	30	09S	26E		1980	S	660	Е	Chaves

Proposed Pools

UNDES. FOOR RANCH; PRE-PERMIAN GAS

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3738
Multiple N	Proposed Depth 5815	Formation Undesignated Precambrian	Contractor	Spud Date 4/21/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1100	550	0
Prod	7.875	5.5	15.5	5815	500	3800

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Precambrian/intermediate formations. Approx. 1100 ft. of surface casing will be set/cemented. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. MUD PROGRAM: 0-1100 ft. FW Gel/Paper/LCM; 1100-4270 ft. Brine; 4270-TD Starch/Salt Gel.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Robert Asher

Title: Regulatory Technician

Date: 4/18/2003

Phone: 505-748-4364

Phone: 505-748-4364

OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 4/29/2003 Expiration Date: 4/29/2004

Conditions of Approval: There are conditions. See Attached.

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State of New Mexico Energy, Minerals and Natural Resources

Form C-102

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-5-63560	Pool Name UNDES. FOOR RANCH; PRE-PERMIAN GAS	Pool Code
Property Code 12691	Property Name Rolla TC	Well No. 003
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3738

Surface And Bottom Hole Location

UL or Lot	Section 30	Township 09S	Range 26E	Lot Idn	Feet From 1980	N/S Line S	Feet From 660	E/W Line E	County Chaves
	ed Acres	Joint or	Infill	Consoli	dation Code		Order	No.	

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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Robert Asher

Title: Regulatory Technician

Date: 4/18/2003

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.

Electronically Signed By: Herscel L. Jones

Date of Survey: 4/3/2003 Certificate Number: 3640

APD Conditions Of Approval

Operator: 25575 Yates Petroleum Corporation

Well: Rolla TC 003

OCD Reviewer	Condition
BARRANT	CEMENT TO COVER ALL OIL, GAS AND WATER BEARING ZONES.
BARRANT	Notify OCD spud and time to witness cementing of surface casing.