

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Yates Drilling Company 105 South 4th St. Artesia, NM 88210					² OGRID Number 025513				
					³ Reason for Filing Code/ Effective Date NW				
⁴ API Number 30-015-33338		⁵ Pool Name Empire Penn				⁶ Pool Code 76440			
⁷ Property Code 024780		⁸ Property Name Mule Train 16 State				⁹ Well Number 2			

II. ¹⁰ Surface Location

UL or lot no. N	Section 16	Township 17S	Range 28E	Lot Idn	Feet from the 660	North/South Line N	Feet from the 1520	East/West line W	County Eddy
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Lse Code	¹³ Producing Method Code Flowing		¹⁴ Gas Connection Date 7/2/2004		¹⁵ C-129 Permit Number		¹⁶ C-129 Effective Date		¹⁷ C-129 Expiration Date

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name & Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
147831	Agave Energy Company 105 South 4th St. Artesia, NM 88210		G	Unit N, Section 16-17S-28E
138648	Amoco Pipeline Inc. P.O. Box 702068 Tulsa, OK 74170-2068		O	Unit N, Section 16-17S-28E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description Unit N, Section 16-17S-28E
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V. Well Completion Data

²⁵ Soud Date 4/17/2004	²⁶ Ready Date 7/2/2004	²⁷ TD 10,253'	²⁸ PBDT 10,135'	²⁹ Perforations 9970'-9990'	³⁰ DHC. MC
³¹ Hole Size 17.5"	³² Casing & Tubing Size 13 3/8"	³³ Depth Set 405'		³⁴ Sacks Cement 450 sxs.	
12.25"	9 5/8"	2085'		700 sxs.	
8.75"	5 1/2"	10,253'		2855 sxs.	

VI. Well Test Data

³⁵ Date New Oil 7/2/2004	³⁶ Gas Delivery Date 7/2/2004	³⁷ Test Date 7/11/2004	³⁸ Test Length 24 hrs.	³⁹ Tbg. Pressure 750#	⁴⁰ Csg. Pressure
⁴¹ Choke Size 15/64	⁴² Oil 18.72	⁴³ Water 0	⁴⁴ Gas 1669 mcf	⁴⁵ AOF	⁴⁶ Test Method Flowing

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Karen J. Leishman*

Printed name: **Karen J. Leishman**

Title: **Engineering Technician**

Date: **7/21/2004**

Phone: **505-748-8463**

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title: **District Supervisor**

Approval Date: **MAY 29 2004**