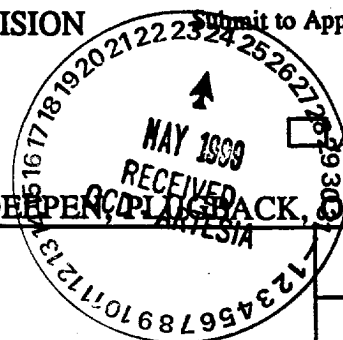


District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-101
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505



AMENDED REPORT

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

¹ Operator Name and Address. Yates Petroleum Corporation 105 S. 4th Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30-005-63207
⁴ Property Code 12841	⁵ Property Name Thunderhead TD State	⁶ Well No. 3

26E 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
K	32	8S	26E		1980'	South	1980'	West	Chaves

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
⁹ Proposed Pool 1 Pecos Slope Abo					¹⁰ Proposed Pool 2 82730				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3747'
¹⁶ Multiple No	¹⁷ Proposed Depth 4750'	¹⁸ Formation Abo	¹⁹ Contractor Undesignated	²⁰ Spud Date ASAP

Minimum WOC time 18 hrs. ²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 3/4"	8 5/8"	24#	1000'	450 sx	Circulate
7 7/8"	4 1/2"	10.5#	4750'	350 sx	TOC 3800'

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.

Yates Petroleum Corporation proposes to drill and test the Abo and intermediate formations. Approximately 1000' of surface casing will be set and cement circulated to the surface. If commercial, production casing will be run and cemented with adequate cover. Will perforate and stimulate as needed for production.

MUD PROGRAM: 0-1000' FW Gel/Paper/LCM; 1000'-4300' Brine; 4300'-TD Polyachrilamide.

BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing and tested daily for operational.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Ken Beardemphl</i>		OIL CONSERVATION DIVISION	
Printed name: Ken Beardemphl		Approved by: ORIGINAL SIGNED BY TIM W. GUM	
Title: Landman		Title: DISTRICT II SUPERVISOR	
Date: May 20, 1999		Approval Date: 5-26-99	Expiration Date: 5-26-00
Phone: (505) 748-1471		Conditions of Approval: Notify N.M.O.C.C. in sufficient	

Call at Spud

time to witness cementing
the 8 5/8" casing

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

Signature Ken Beardemphl

Printed Name Ken Beardemphl

Title Landman

Date May 21, 1999

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.

Date Surveyed 5/18/99

Signature Michael Jones

Professional Seal of Michael Jones

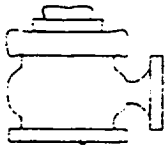
NEW MEXICO

3640

SURVEYOR

Certificate No. Michael Jones RLS 3640

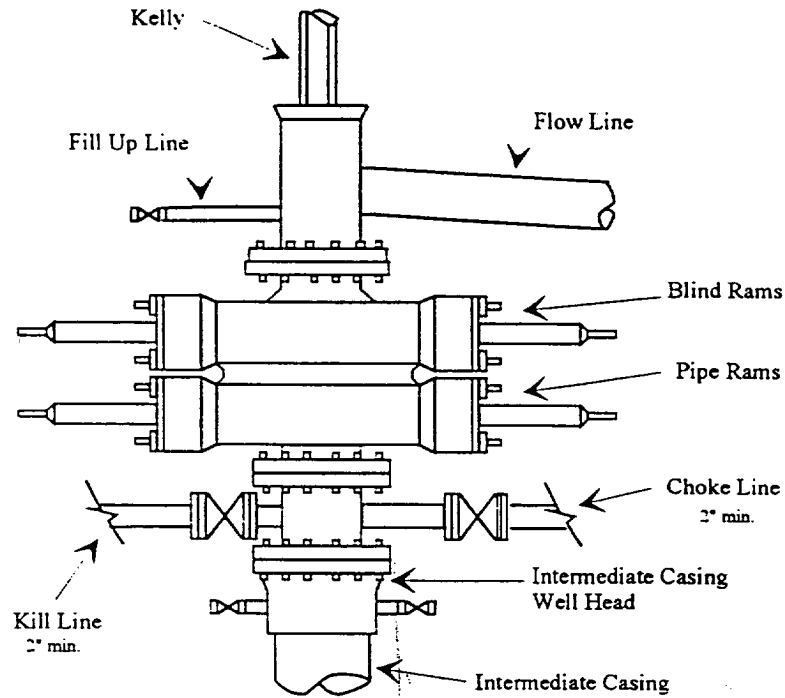
GENERAL SURVEYING COMPANY



Yates Petroleum Corporation

BOP-2

Typical 2,000 psi Pressure System Schematic Double Ram Preventer Stack



Typical 2,000 psi choke manifold assembly with at least these minimum features

