

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

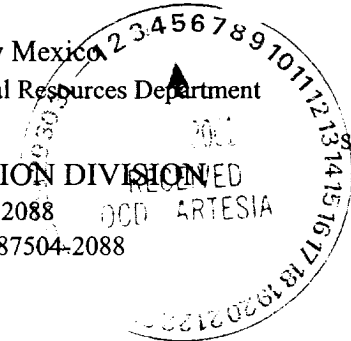
DISTRICT IV
2040 South Pacheco, Santa Re, NM 87501

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088

Form C-101
Revised March 17, 1999
Instructions on back
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

C/SF
BLM
5th d
DP



AMENDED REPORT

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
		³ API Number 30-005-63398
⁴ Property Code 25380	⁵ Property Name Dallas "AUE" St.	⁶ Well No. 3

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	35	9S	26E		660'	South	1980'	West	Chaves

8 Proposed Bottom Hole Location If

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/Sou
⁹ Proposed Pool 1 Wildcat Precambrian						

NOTIFY OCD SPUD & TIME TO WITNESS
CEMENTING OF WATER PROTECTION
STRING

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3832'
¹⁶ Multiple N	¹⁷ Proposed Depth 6410'	¹⁸ Formation Basement	¹⁹ Contractor Not Determined	²⁰ Spud Date ASAP

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1100'	550 sx	Surface
7 7/8"	5 1/2"	15.5#	6410'	550 sx	**

** Cement to cover all oil, gas and waterbearing zones.

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 production. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Basement and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-1100' FWGel/Paper/LCM; 1100-4550' Brine; 4550'-6410' Starch/Salt Gel.

BOPE PROGRAM: A 2000# BOPE will be installed on the 8 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Pat Perez*

Printed name: Pat Perez

Title: Regulatory Agent

Date: 07/05/01

Phone: (505) 748-1471

366 OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

Title: Approval Date: JUL 06 2001 Expiration Date: JUL 06 2002

Conditions of Approval Attached