

Submit to Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Oil, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89  
215F  
BAM  
dp

**OIL CONSERVATION DIVISION**  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

API NO. (assigned by OCD on New Wells)  
**30-015-26381**

5. Indicate Type of Lease  
STATE  FEE

6. State Oil & Gas Lease No.

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. Type of Work:  
DRILL  RE-ENTER  DEEPEN  PLUG BACK

b. Type of Well:  
OIL WELL  GAS WELL  OTHER   
SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator  
Yates Petroleum Corporation ✓

3. Address of Operator  
105 South Fourth Street, Artesia, New Mexico 88210

4. Well Location  
Unit Letter H : 1980 Feet From The North Line and 660 Feet From The East Line  
Section 15 Township 20 South Range 24 East NMPM Eddy County

7. Lease Name or Unit Agreement Name  
Sara- "AHA" MAY 25 '90

8. Well No.  
2 O. C. D.

9. Pool name or Wildcat  
ARTESIA, OFFICE Und. Morrow

10. Proposed Depth  
9600'

11. Formation  
Morrow

12. Rotary or C.T.  
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)  
3648

14. Kind & Status Plug. Bood  
Blanket

15. Drilling Contractor  
Undesignated

16. Approx. Date Work will start  
ASAP

17. PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP   |
|--------------|----------------|-----------------|---------------|-----------------|------------|
| 14-3/4"      | 9-5/8"         | 36# J-55        | 1200'         | 925 sx          | Circulated |
| 8-3/4"       | 7"             | 26# K-55 &      | TD            | 400 sx          |            |
|              |                | N-80 K-55       |               |                 |            |

We propose to drill and test the Morrow and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be ran and cemented, will perforate and stimulate as needed for production. If lost circulation above 350', will ream out and run another string of casing.

MUD PROGRAM: FW Gel/LCM to 1200'; FW to 4300'; cut brine to 7300'; SW Gel/Starch to 8900'; SW Gel/Dris/St to TD.

BOP PROGRAM: Bop's and hydril will be installed on 9-5/8" casing and tested daily

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 11/29/90  
UNLESS DRILLING UNDERWAY

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Ken Beardemphl TITLE Landman DATE 5-25-90  
TYPE OR PRINT NAME Ken Beardemphl TELEPHONE NO. (505) 748-1471

(This space for State Use)  
ORIGINAL SIGNED BY MIKE WILLIAMS  
APPROVED BY SUPERVISOR, DISTRICT II TITLE \_\_\_\_\_ DATE MAY 29 1990

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT TIME TO WITNESS CEMENTING THE 9 5/8 CASING