

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

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address YATES PETROLEUM CORPORATION 105 SOUTH 4TH ST., ARTESIA, NM 88210		<sup>2</sup> OGRID Number 25575
<sup>3</sup> Property Code 27795		<sup>4</sup> Property Name STATE GAS COM BQ
<sup>5</sup> Proposed Pool 1 KUTZ PICTURED CLIFFS, WEST		<sup>6</sup> Well No. 3

<sup>7</sup> Surface Location

UL or lot no. K	Section 32	Township 29 N	Range 13 W	Lot Idn	Feet from the 1385	North/South line SOUTH	Feet from the 1360	East/West line WEST	County SAN JUAN
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<sup>8</sup> 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
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Additional Well Information

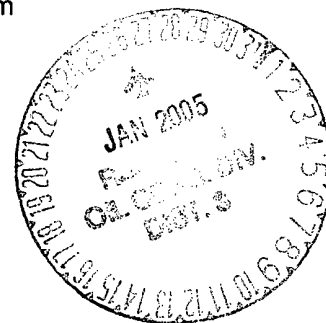
<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary ROTARY	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 5,882'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 1,775'	<sup>18</sup> Formation LEWIS	<sup>19</sup> Contractor UNKNOWN	<sup>20</sup> Spud Date UPON APPROVAL
Depth to Groundwater 345'		Distance from nearest fresh water well >5,000'		Distance from nearest surface water >600'
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12_mils thick Clay <input type="checkbox"/> Pit Volume: 2,300 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
8-3/4"	7"	17#	500'	125	SURFACE
6-1/4"	4-1/2"	10.5#	1,775'	225	SURFACE

<sup>22</sup> 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.

Use 2,000 BOP system



<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name: BRIAN WOOD		Approved by: <i>[Signature]</i>	
Title: CONSULTANT		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 52	
E-mail Address: brian@permitswest.com		Approval Date: JAN 26 2005 Expiration Date: JAN 26 2006	
Date: 1-24-05	Phone: (505) 466-8120	Conditions of Approval Attached <input type="checkbox"/>	

State of New Mexico  
Energy, Minerals & Mining Resources Department  
OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C - 102

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

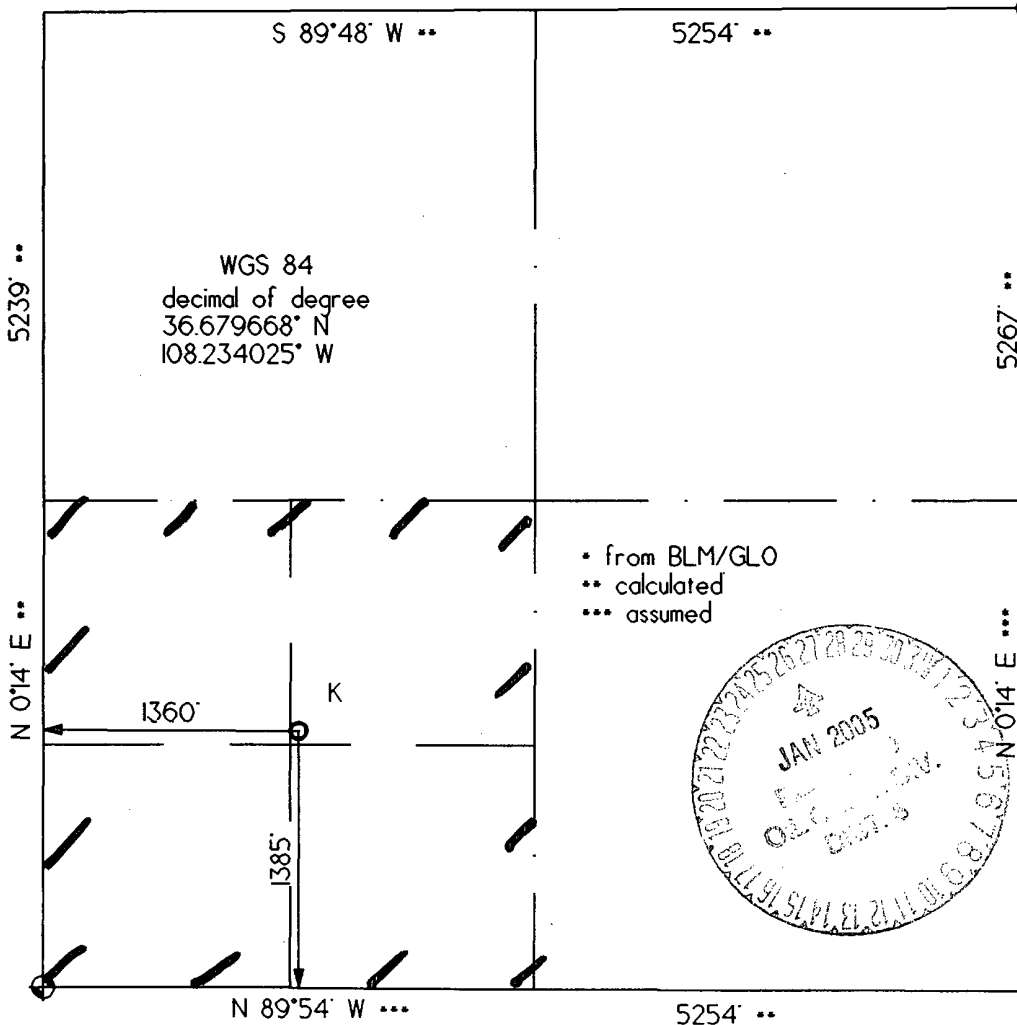
APA Number <b>30-045-32847</b>	Pool Code <b>79680</b>	Pool Name <b>KUTZ PICTURED CLIFFS, WEST</b>
Property Code <b>27795</b>	Property Name <b>STATE GAS COM BQ</b>	Well Number <b>3</b>
OGRID No. <b>25575</b>	Operator Name <b>YATES PETROLEUM CORPORATION</b>	Elevation <b>5882'</b>

Surface Location									County
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from >	North/South	Feet from >	East/West	
<b>K</b>	<b>32</b>	<b>29 N.</b>	<b>13 W.</b>	<b>1385'</b>	<b>SOUTH</b>	<b>1360'</b>	<b>WEST</b>		<b>SAN JUAN</b>

Bottom Hole Location If Different From Surface									County
UL or Lot	Sec.	Twp.	Rge.	Lot Idn.	Feet from >	North/South	Feet from >	East/West	

Dedication <b>160</b>	Joint ?	Consolidation	Order No.
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NO ALLOWABLE WILL ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

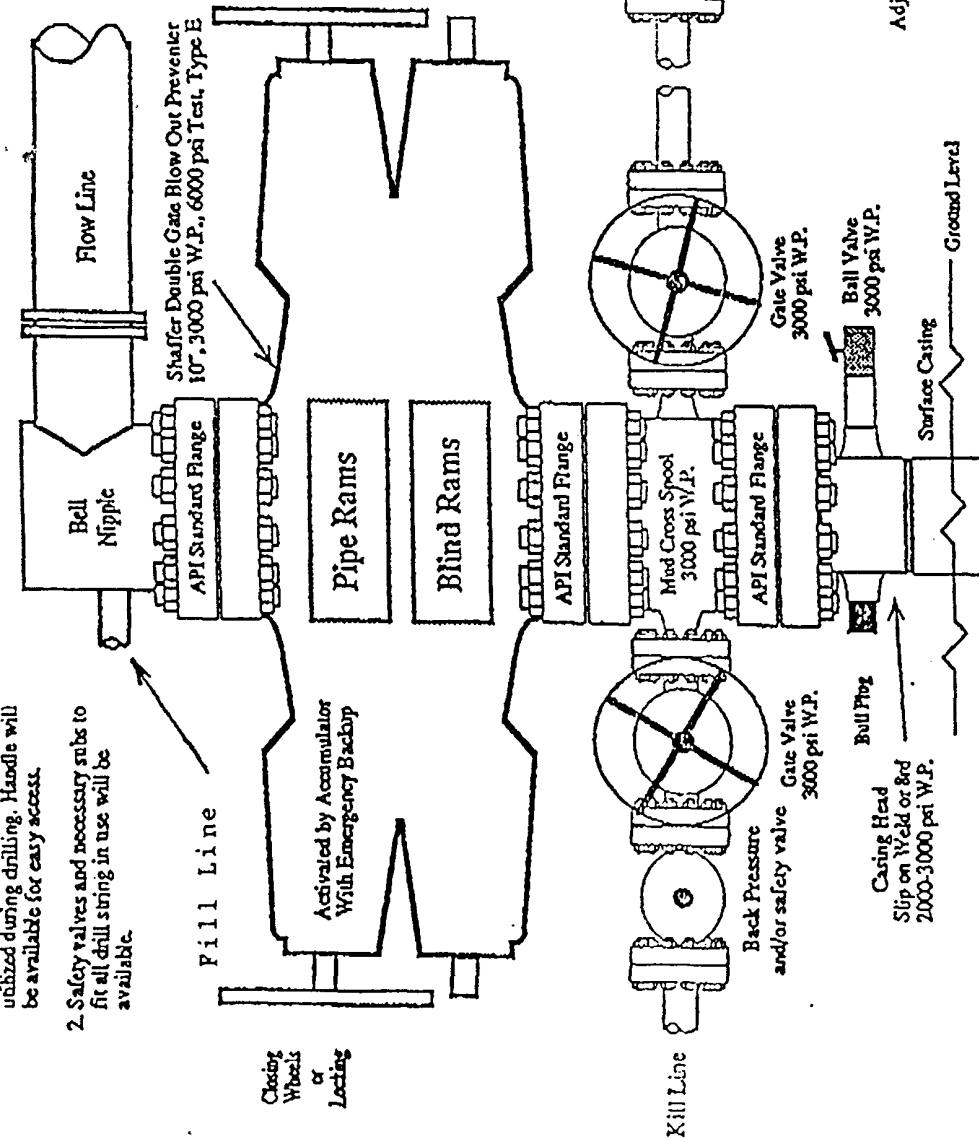


<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature <i>Brian Wood</i>	
Printed Name	<b>BRIAN WOOD</b>
Title	<b>CONSULTANT</b>
Date	<b>JAN. 24, 2005</b>
<b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location 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 of Survey <b>12/28/'04</b>	
Signature and Seal of Professional Surveyor <i>Gerald Buddleston</i> 	

## Pressure Control Equipment

**Note:** 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



**Note:** This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

Minimum 2" Choke Line.  
Minimum 2" Kill Line.  
At Least One 2" Minimum Kill Line Valve.