

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 PO Drawer DD, Artesia, NM 88211-0719  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
 Energy, Minerals & Natural Resources Department

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

Form C-101  
 Revised February 10, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 6 Copies  
 Fee Lease - 5 Copies

AMENDED REPORT

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

Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, NM 88210		OGRID Number 025575
Property Code 16461		API Number 30-025-22239
Property Name Sanders "AOU"		Well No. #1

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	1	14-S	33-E		1980'	North	1980'	West	Lea

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
Proposed Pool 1 Saunders Perm Upper Penn					Proposed Pool 2				

Work Type Code E & D	Well Type Code O	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 4185'
Multiple No	Proposed Depth 10,120'	Formation Bouch Bough	Contractor	Spud Date ASAP

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
15"	11 3/4"	31.20#	371'-in place	400 sacks	circulated
11"	8 5/8"	24# & 32#	1550' to 4200' in place	600 sacks	2510'
10 3/4"	8 5/8"	32#	tie to stub at 1550'	300 sacks	circulate
7 7/8 "	5 1/2"		10,120'		

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.

Plans are to drill out the cement plugs to top of 8 5/8" casing and tie-back the string and cement adequate for integrity of casing string. Then drill out the plugs to the original TD of 10,071' with 7 7/8" bit. Then deepen the hole another 50" +/- . If determined to be productive, will run 5 1/2" casing to TD and cement with adequate cover, perforated, and stimulate for production.

Permit Expires 6 Months From Approval  
 Date Unless Drilling Underway.

MUD PROGRAM: Re-enter using cut brine to TD.

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

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

Signature: *Clifton R. May*

Printed name: Clifton R. May

Title: Permit Agent

Date: 1-25-95  
 Phone: 505-748-1471

OIL CONSERVATION DIVISION

Approved by: *JERRY SEXTON*  
 Title: SUPERVISOR

Approval Date: JAN 27 1995  
 Expiration Date:

Conditions of Approval:  
 Attached