

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

District II  
1301 W. Grand Ave., Artesia, NM 88210

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

District IV  
1220 S. St Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Permit 987

### APPLICATION FOR PERMIT TO DRILL

Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-025-36710
Property Code 33254	Property Name REBA STATE UNIT	Well No. 003

#### Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	32	11S	35E	E	1980	N	660	W	Lea

#### Proposed Pools

FOUR LAKES;MISSISSIPPIAN (GAS) 97053

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 4155
Multiple N	Proposed Depth 12710	Formation Mississippi Limestone	Contractor	Spud Date 05/19/2004

#### Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	400	400	0
Intl	12.25	9.625	40	4200	1500	0
Prod	8.75	5.5	17	12710	1650	3700

#### Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Mississippian/inter. formations. Approx. 400 of surf. casing will be set/cemented. Inter. casing will be set @ 4200, cement circulated to the surface. If commercial, prod. casing will be run/cemented, will perforate/stimulate as needed for prod. MUD PROGRAM: 0-400 FW/Spud Mud; 400-2020 FW; 2020-4200 Red Bed Mud/Oil; 4200-7600 Cut Brine; 7600-10000 S Gel/Diesel; 10000-10600 S Gel/Starch; 10600-11550 S Gel/Starch; 11550-TD SW/Starch/4% KCL. Depth of ground water: 48 +/- Distance from nearest fresh water well: 3000 Distance from nearest surface water: 2000

#### Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

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

OIL CONSERVATION DIVISION