

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, New Mexico 88210		OGRID Number 025575
Property Code 19431		API Number 30-025-33563
Property Name Field APK State		Well No. 1

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
J Lot 10	2	16S	35E		3500	North	1880	East	Lea

8 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 West Lovington Strawn					Proposed Pool 2				

Work Type Code N	Well Type Code 0	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3990'
Multiple No	Proposed Depth 11900'	Formation Strawn	Contractor Undesignated	Spud Date ASAP

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	450'	550 sx	Circulate
11"	8 5/8"	32#	4950'	1050 sx	Circulate
7 7/8"	5 1/2"	15.5# & 17#	TD	1350 sx	Approx. 7100'

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

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.

Plan to drill and test the Strawn and intermediate formation. Approx. 450' of surface casing will be set and cement circulated to surface. Approx. 4950' of intermediate casing will be set and cement circulated. If commercial production casing will be ran and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW Gel, Paper, LCM spud to 450'; Brine to 4950'; Cut brine, starch to 9600'; Salt Gel starch to TD.

BOPE PROGRAM: BOPE will be installed on the 11 3/4" 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: <i>Clifton R. May</i>		OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY JERRY SEXTON Title: DISTRICT I SUPERVISOR	
Printed name: Clifton R. May Title: Regulatory Agent			
Date: 8-26-96	Phone: 505-748-1471	Approval Date: AUG 5 1996	Expiration Date:
Conditions of Approval: Attached <input type="checkbox"/>			