

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 5814

### APPLICATION FOR PERMIT TO DRILL

Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-015-33937
Property Code 27525	Property Name LOUISE AYT	Well No. 002

### Surface Location

UL or Lot B	Section 25	Township 21S	Range 26E	Lot Idn B	Feet From 990	N/S Line N	Feet From 1550	E/W Line E	County Eddy
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### Proposed Pools

BURTON FLAT;MORROW (PRO GAS) 73280
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Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 3167
Multiple N	Proposed Depth 11700	Formation Morrow	Contractor	Spud Date 01/27/2005

### 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	600	600	0
Int1	12.25	9.625	36	2350	950	0
Int2	8.75	7	26	8800	600	2200
Prod	6.25	4.5	11.6	11700	1700	8400

### Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Morrow and intermediate formations. Approximately 600' of surface casing will be set/cemented to shut off gravel and cavings. If commercial, production casing will be run/cemented; will perforate/stimulate as needed for production. MUD PROGRAM: 0-600' - FW /Spud Mud; 600' - 2350' FW/LCM Sweeps; 2350'-8800' Cut Brine; 8800'-10,000' Brine; 10,000-TD SW Gel/Starch/4% KCL.
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### 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.	
Electronically Signed By: Debbie Caffall	
Title: Regulatory Technician	
Date: 01/26/2005	Phone: 505-748-4364

OIL CONSERVATION DIVISION	
Electronically Approved By: Bryan Arrant	
Title: Geologist	
Approval Date: 02/08/2005	Expiration Date: 02/08/2006
Conditions of Approval: There are conditions. See Attached.	