

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

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-25-36223
Property Code 29794	Property Name Big Hat 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
B	3	16S	33E		795	N	2281	E	Lea

Proposed Pools

WILDCAT DEVONIAN

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 4219
Multiple N	Proposed Depth 14200	Formation Devonian	Contractor	Spud Date 3/12/2003

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
Int1	12.25	9.625	40	4500	1750	0
Int2	8.75	7	29	13820	1800	4000
Prod	6.125	4.5	11.6	14200	200	13300

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Devonian/intermediate formations. Approx. 400 ft. of surface casing will be set/cemented. Approx. 4500 ft. of intermediate casing will be set/cemented. A string of 7 inch casing will be run to 13,820 ft. and cemented to 4000 ft. TOC. If commercial, production casing will be run/cemented, perforate/stimulate as needed for production. MUD PROGRAM: 0-400 ft. FW/Native Mud; 400-4500 ft. Brine; 4500-9400 FW; 9400-13820 Brine; 13820-TD SW Gel/Starch/4% KCL.

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: Robert Asher

Title: Regulatory Technician

Date: 3/12/2003	Phone: 505-748-4364
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OIL CONSERVATION DIVISION	
Electronically Approved By: Paul Kautz	
Title: Geologist	
Approval Date: 3/13/2003	Expiration Date: 3/13/2004
Conditions of Approval: No Conditions	

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State of New Mexico
 Energy, Minerals and Natural Resources

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

Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36223	Pool Name WILDCAT DEVONIAN	Pool Code
Property Code 29794	Property Name Big Hat State Unit	Well No. 003
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 4219

Surface And Bottom Hole Location

UL or Lot B	Section 3	Township 16S	Range 33E	Lot Idn	Feet From 795	N/S Line N	Feet From 2281	E/W Line E	County Lea
Dedicated Acres 47.98		Joint or Infill		Consolidation Code		Order No.			

<p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Electronically Signed By: Robert Asher Title: Regulatory Technician Date: 3/12/2003</p>	<p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown 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.</i></p> <p>Electronically Signed By: Herschel L. Jones Date of Survey: 3/11/2003 Certificate Number: 3640</p>
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APD Comments

Operator: 25575 Yates Petroleum Corporation

Well: Big Hat State Unit 003

User Name	Comment	Comment Date
DMULL	I email Robert Asher back, to check the pool. Devonian or Delaware?	3/12/2003

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
2040 Pacheco St.
Santa Fe, NM 87505

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL API NO.
30-25-36223

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
VO-5113

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

7. Lease Name or Unit Agreement Name
Big Hat State Unit

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
3

2. Name of Operator
Yates Petroleum Corporation

9. Pool name or Wildcat
Devonian

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter B : 795 Feet From The North Line and 2,281 Feet From The East Line
Section 3 Township 16S Range 33E NMPM Lea County

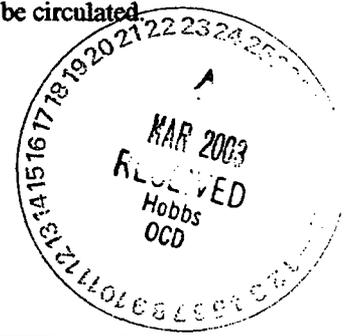
10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4,219'

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data			
11. NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

Yates Petroleum Corporation respectfully requests permission to make the following changes to the APD for this well.

Change the setting depth of the 9 5/8" casing from 4,500' to a new setting depth of 6,050'. Cement will be circulated.



Verbal approval for this sundry was given by Paul Kautz, OCD on 3/20/03.

Thank you,

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Jeremiah Mullen TITLE Drilling Engineer Asst. DATE 03/20/03
TYPE OR PRINT NAME Jeremiah Mullen TELEPHONE NO. (505)-748-4378

(This space for State Use)
APPROVED BY Larry W. Wink TITLE OCD FIELD REPRESENTATIVE II/STAFF MANAGER DATE MAR 28 2003
CONDITIONS OF APPROVAL, IF ANY:

Submit 3 copies to Appropriate District Office

DISTRICT I
1625 N. French Dr., Hobbs NM 88240
DISTRICT II
1301 W. Grand Avenue, 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 South St. Francis Dr.
Santa Fe, New Mexico 87504-2088

Form C-103
Revised March 25, 1999

WELL API NO. 30-025-36223
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5113
7. Lease Name or Unit Agreement Name Big Hat State Unit
8. Well No. 3
9. Pool Name or Wildcat Wildcat Devonian
4. Well Location Unit Letter <u>B</u> : <u>795</u> feet from the <u>North</u> line and <u>2281</u> feet from the <u>East</u> line Section <u>3</u> Township <u>16S</u> Range <u>33E</u> NMPM County <u>Lea</u>
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4219' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

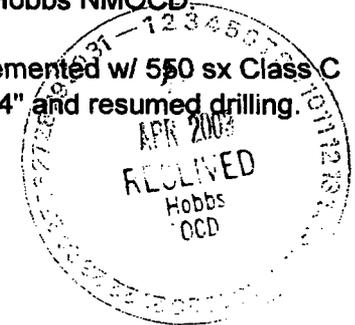
3. Address of Operator
105 South 4th Str., Artesia, NM 88210

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input checked="" type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

3-22-03 Spudded well and set 40' of 20" conductor. Notified Sylvia Dickey w/Hobbs NMOCD.
3-26-03 TD 17-1/2" hole @ 4:30 p.m. Ran 13-3/8" 48# casing set @ 428'. Cemented w/ 550 sx Class C w/additives. Cement circulated. WOC 30 hrs 30 mins. Reduced hole to 12-1/4" and resumed drilling.



I hereby certify that the information above is a true and complete to the best of my knowledge and belief.
SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 3/31/03
Type or print name Stormi Davis Telephone No. 505-748-1471

APPROVED BY [Signature] TITLE PETROLEUM ENGINEER DATE APR 07 2003
Conditions of approval, if any:

Submit 3 copies to Appropriate District Office

DISTRICT I

1825 N. French Dr., Hobbs NM 88240

DISTRICT II

1301 W. Grand Avenue, 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 South St. Francis Dr. Santa Fe, New Mexico 87504-2088

Form C-103

Revised March 25, 1999

WELL API NO. 30-025-36223
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. VO-5113
7. Lease Name or Unit Agreement Name Big Hat State Unit
8. Well No. 3
9. Pool Name or Wildcat Wildcat Devonian
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 4219' GR

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [X] Gas Well [] Other
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South 4th Str., Artesia, NM 88210
4. Well Location Unit Letter B : 795 feet from the North line and 2281 feet from the East line Section 3 Township 16S Range 33E NMPM County Lea

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPLETION []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT []
CASING TEST AND CEMENT JOB []
OTHER: Intermediate Casing [X]

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

4-13-03 TD 12-1/4" hole @ 8:30 a.m. Ran 9-5/8" 36# and 40# casing set @ 6055'. Cemented w/1300 sx 35:65:6 w/additives. Tailed in w/1700 sx "C" w/additives and 200 sx "C". Cement circulated. Reduced hole to 8-3/4" and resumed drilling.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 4/16/03
Type or print name Stormi Davis Telephone No. 505-748-1471

APPROVED BY Gary W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 18 2003
Conditions of approval, if any:

Submit 3 copies to Appropriate District Office

DISTRICT I
1625 N. French Dr., Hobbs NM 88240
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1301 W. Grand Avenue, Artesia NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec NM 87410
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State of New Mexico
Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87504-2088

Form C-103
Revised March 25, 1999

WELL API NO. 30-025-36223
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-5113
7. Lease Name or Unit Agreement Name Big Hat State Unit
8. Well No. 3
9. Pool Name or Wildcat Wildcat Devonian

SUNDRY NOTICES AND REPORTS ON WELLS
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1. Type of Well:
Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 South 4th Str., Artesia, NM 88210

4. Well Location
Unit Letter B : 795 feet from the North line and 2281 feet from the East line
Section 3 Township 16S Range 33E NMPM County Lea

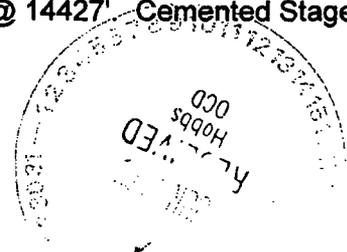
10. Elevation (Show whether DF, RKB, RT, GR, etc.)
4219' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <u>Production Casing</u>	<input checked="" type="checkbox"/>

12. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

6-17-03 TD 8-3/4" hole to 14427' @ 7:15 p.m. Ran 7" 26# and 29# casing set @ 14427' Cemented Stage 1: 525 sx Class H w/additives and Stage 2: 1350 sx Class H w/additives. WOC.



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

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 6/23/03

Type or print name Stormi Davis Telephone No. 505-748-1471

APPROVED BY Gary W. Wink TITLE OCC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUN 26 2003

Conditions of approval, if any: