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B6M
sthd

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 30-15-32518
Property Code 30761	Property Name Samuel Smith BAS State	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	32	23S	24E		1420	S	1190	E	Eddy

Proposed Pools

CROOKED CREEK; MORROW (GAS) 75400

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 4242
Multiple N	Proposed Depth 10600	Formation Morrow	Contractor	Spud Date 11/8/2002

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	300	0
Intl	12.25	8.625	24	2500	900	0
Prod	8.625	5.5	17	10600	1700	8200

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Morrow/intermediat formations. Approx. 400 of surface casing will be set/cemented. If commercial, production casing will be run/cemented, will perforate/stimulate if needed for production. MUD PROGRAM: 0-2500 FW Gel/Paper; 2500-9400 Cut Brine; 9400-10600 Salt Gel/KCL/Starch.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	