

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 IV1220 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 783

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-015-33448
Property Code 34029	Property Name AGNES BEB COM.	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	3	18S	26E	2	1200	N	1800	E	Eddy

Proposed Pools

ATOKA,PENN 70800

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type Private	Ground Level Elevation 3320
Multiple N	Proposed Depth 9000	Formation Morrow	Contractor	Spud Date 03/13/2004

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
Int1	12.25	9.625	36	1400	650	0
Prod	8.75	5.5	15	9000	1575	900

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Morrow and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production. MUD PROGRAM: 0-400' FW/Gel/Spud Mud; 400'-1400' Fresh Water; 1400'-4450' Cut Brine; 4450'-7900' Cut Brine/6%-8% KCL; 7900' - 8400' Drispac/SGel/6%-8% KCL; 8400'-TD Drispac/SGel/6%-8% KCL.. BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

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