

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 2046

### APPLICATION FOR PERMIT TO DRILL

Operator Name and Address YATES DRILLING CO 105 South 4th Street Artesia, NM 88210		OGRID Number 25513
		API Number 30-015-33702
Property Code 34379	Property Name SPURCK 16 STATE	Well No. 004

### Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	16	17S	28E	D	660	N	330	W	Eddy

### Proposed Pools

Un. Red Lake Shores Glorietta Yeso
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Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3527
Multiple N	Proposed Depth 4000	Formation Yeso Formation	Contractor	Spud Date 10/25/2004

### Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	400	300	0
Int1	11	8.625	24	2000	725	0
Prod	7.875	5.5	15.5	4000	550	1500

### Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Yeso and intermediate formations. Approx. 400 ft. of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be ran/cemented, will perforate/stimulate as needed for production.MUD PROGRAM: 0-400FW Gel/Paper; 400-2000Brine; 2000-TD Cut Brine. BOPE PROGRAM: A 2000# 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	2000	2000	

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: 10/26/2004

Phone: 5057484364

### OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 10/31/2004 Expiration Date: 10/31/2005

Conditions of Approval:  
No Conditions