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

Form C-101

Permit 10239

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

YATES PETROLEUM CORF	0 GRID Number 25575	
105 South Fourth St.	API Number	
Artesia, NM 88210	30-025-37206	
Property Code	Property Name	Well No.
34775	WOMACK BGW	001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	33	09S	34E	M	810	S	660	W	Lea

Proposed Pools

Wildcat Mississippian

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	GAS		Private	4261
Multiple N	Proposed Depth 12440	Formation Mississippian Age Rocks- Undivided	Contractor	Spud Date

Proposed Casing and Cement Program

Туре	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	4150	1400	0	
Prod	8.75	5.5	17	12440	2500	3650	

Casing/Cement Program: Additional Comments

Yates Peterolem Corporation proposes to drill and test the Austin/Intermediate formations. Approximately 400 of surface casing will be set and cement circulated. Intermediate casing will be set at 4150 cement circ. to surface. If commercial, production casing will be run and cemented, perforate and stimulate as needed for production. MUD PROGRAM: 0-400 FW Gel/Paper; 400-2078 FW; 2078-4150 Red Bed Mud/Oil; 4150-7700 Cut Brine; 7700-11486 SGel/Oil Starch; 11486 - TD SW/Starch/4-6%KCL.

Proposed Blowout Prevention Program

Туре	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: 04/22/2005 Phone: 505-748-4364

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 04/22/2005 Expiration Date: 04/22/2006

Conditions of Approval:

There are conditions. See Attached.