

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 15297

### APPLICATION FOR PERMIT TO DRILL

Operator Name and Address YATES PETROLEUM CORPORATION 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-025-37438
Property Code 35066	Property Name VAN DYKE STATE UNIT	Well No. 001

### Surface Location

UL or Lot O	Section 17	Township 10S	Range 33E	Lot Idn O	Feet From 660	N/S Line S	Feet From 1980	E/W Line E	County Lea
----------------	---------------	-----------------	--------------	--------------	------------------	---------------	-------------------	---------------	---------------

### Proposed Pools

Wildcat Mississippian
-----------------------

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 4191
Multiple N	Proposed Depth 11750	Formation Mississippian Age Rocks- Undivided	Contractor	Spud Date 09/02/2005

### 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	3850	1425	0
Prod	8.75	5.5	17	11750	2000	3350

### Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill and test the Mississippian/intermediate formations. Approximately 400 of surface casing will be set and cement circulated. Intermediate casing will be set at 3850, cement circulated to surface. If commercial, production casing will be ran and cemented, perforated, and stimulated as need to gain production. MUD PROGRAM: 0-400 FW/Paper; 400-1800 FW; 1800-3850 Red Bed Mud/Oil; 3850-7400 Cut Brine; 7400-11100 SGel/Oil; 11100-TD SGel/Starch/4-6% 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: Debbie Caffall

Title: Regulatory Technician

Date: 09/01/2005

Phone: 505-748-4364

### OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 09/02/2005 Expiration Date: 09/02/2006

Conditions of Approval:  
There are conditions. See Attached.