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

Yates Petroleum	OGRID Number 25575			
	105 South Fourth St. Artesia, NM 88210			
Property Code 32513	Property Name Allan BDA State Com.	Well No. 001		

Surface Location

3	or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	В	9	11S	2 7 E		660	N	1980	E	Chaves

Proposed Pools

UNDES. COMANCHE SPRING; PRE-PERMIAN

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3671
Multiple	Proposed Depth	Formation	Contractor	Spud Date
N	6805	Undesignated Precambrian		6/25/2003

Proposed Casing and Cement Program

Туре	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	600	400	0
Prod	7.875	5.5	15.5	6805	700	4150

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Precambrian and intermediate formations. Approximately 600 ft. of surface casing will be set/cemented. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. CEMENT TO COVER ALL OIL, GAS & WATERBEARING ZONES. MUD PROGRAM: 0-600 ft. FW Gel/Paper/LCM; 600-1750 ft. Cut Brine; 1750-4625 ft. Brine; 4625-6805 ft. Salt Gel/Starch. No H2S is anticipated.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

I hereby certify that the information given above is true	OIL CONSERVATION DIVISION			
and complete to the best of my knowledge and belief.	Electronically Approved By: Bryan Arrant			
Electronically Signed By: Robert Asher	Title: Geologist			
Title: Regulatory Technician	Approval Date: 6/27/2003 Expiration Date: 6/27/2004			
Date: 6/24/2003 Phone: 505-748-4364	Conditions of Approval:			
	No Conditions			

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State of New Mexico Energy, Minerals and Natural Resources

> Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-5-63578	Pool Name UNDES. COMANCHE SPRING; PRE-PERMIAN	Pool Code
Property Code 32513	Property Name Allan BDA State Com.	Well No. 001
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3671

Surface And Bottom Hole Location

UL or Lot S	Section 9	Township 11S	Range 27E	Lot Idn	Feet From 660	N/S Line N	Feet From 1980	E/W Line E	County Chaves
Dedicated Acres		Joint or	Infill	Consoli	dation Code		Order 1	No.	

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OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Robert Asher

Title: Regulatory Technician

Date: 6/24/2003

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Electronically Signed By: Herschel L. Jones

Date of Survey: 6/20/2003 Certificate Number: 3640