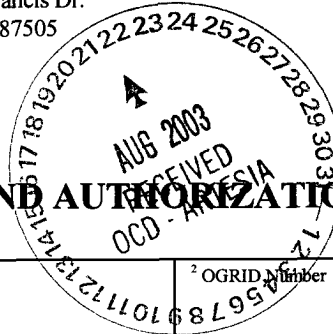


1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

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

Form C-104  
Revised July 28, 2000  
Submit to Appropriate District Office  
5 Copies



# I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                                                          |                                                  |                                                               |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------------|
| <sup>1</sup> Operator name and Address<br><br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia NM 88210 |                                                  | <sup>2</sup> OGRID Number<br><br>025575                       |
|                                                                                                                          |                                                  | <sup>3</sup> Reason for Filing Code/ Effective Date<br><br>NW |
| 30-015-32003                                                                                                             | Lost Tank Delaware                               | 40299                                                         |
| <sup>7</sup> Property Code<br><br>27485                                                                                  | <sup>8</sup> Property Name<br><br>Lucy ALC State | <sup>9</sup> Well Number<br><br>7                             |

| II. <sup>10</sup> Surface Location |         |          |       |         |               |                  |               |                |        |
|------------------------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no.                      | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West line | County |
| B                                  | 34      | 21S      | 31E   |         | 660           | North            | 2005          | East           | Eddy   |

| III. <sup>11</sup> Bottom Hole Location |                                              |                                                  |       |                                   |               |                                    |               |                                     |        |
|-----------------------------------------|----------------------------------------------|--------------------------------------------------|-------|-----------------------------------|---------------|------------------------------------|---------------|-------------------------------------|--------|
| UL or lot no.                           | Section                                      | Township                                         | Range | Lot Idn                           | Feet from the | North/South line                   | Feet from the | East/West line                      | County |
|                                         |                                              |                                                  |       |                                   |               |                                    |               |                                     |        |
| <sup>12</sup> Lse Code<br><br>S         | <sup>13</sup> Producing Method Code<br><br>P | <sup>14</sup> Gas Connection Date<br><br>7/24/03 |       | <sup>15</sup> C-129 Permit Number |               | <sup>16</sup> C-129 Effective Date |               | <sup>17</sup> C-129 Expiration Date |        |

## III. Oil and Gas Transporters

| <sup>18</sup> Transporter OGRID | <sup>19</sup> Transporter Name & Address                                    | <sup>20</sup> POD | <sup>21</sup> O/G | <sup>22</sup> POD ULSTR Location and Description |
|---------------------------------|-----------------------------------------------------------------------------|-------------------|-------------------|--------------------------------------------------|
| 015694                          | Navajo Refining Company<br>P. O. Box 159<br>Artesia, NM 88210               | 2828515           | O                 | Unit P of Section 34-T21S-R31E                   |
| 025561                          | Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, NM 88210 | 2828516           | G                 | Unit P of Section 34-T21S-R31E                   |
|                                 |                                                                             |                   |                   |                                                  |
|                                 |                                                                             |                   |                   |                                                  |
|                                 |                                                                             |                   |                   |                                                  |

## IV. Produced Water

|                              |                                                                                    |
|------------------------------|------------------------------------------------------------------------------------|
| <sup>23</sup> POD<br>2828517 | <sup>24</sup> POD ULSTR Location and Description<br>Unit P of Section 34-T21S-R31E |
|------------------------------|------------------------------------------------------------------------------------|

## V. Well Completion Data

|                                                    |                                     |                                    |                             |                                                                                                                                         |                       |
|----------------------------------------------------|-------------------------------------|------------------------------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| <sup>25</sup> Spud Date<br>RH 6/9/03<br>RT 6/11/03 | <sup>26</sup> Ready Date<br>7/23/03 | <sup>27</sup> TD<br>8300'          | <sup>28</sup> PBTD<br>8150' | <sup>29</sup> Perforations<br>7356'-8024'<br>6826'-6990'<br>6554'-6632'                                                                 | <sup>30</sup> DHC, MC |
| <sup>31</sup> Hole Size                            |                                     | <sup>32</sup> Casing & Tubing Size |                             | <sup>33</sup> Depth Set                                                                                                                 |                       |
|                                                    |                                     | 20"                                |                             | 40'                                                                                                                                     |                       |
| 17-1/2"                                            |                                     | 13-3/8"                            |                             | 850'                                                                                                                                    |                       |
| 11"                                                |                                     | 8-5/8"                             |                             | 4100'                                                                                                                                   |                       |
| 7-7/8"                                             |                                     | 5-1/2"                             |                             | 8300'                                                                                                                                   |                       |
|                                                    |                                     |                                    |                             | <sup>34</sup> Sacks Cement<br>Conductor<br>700 sx (circ)<br>1200 sx (circ)<br>Stage 1: 500 sx (TOC 5390' CBL)<br>Stage 2: 370 sx (circ) |                       |

## VI. Well Test Data

|                                                                                                                                                                                                                                    |                                            |                                    |                                                                                                                   |                                   |                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------------------|
| <sup>35</sup> Date New Oil<br>7/24/03                                                                                                                                                                                              | <sup>36</sup> Gas Delivery Date<br>7/24/03 | <sup>37</sup> Test Date<br>8/12/03 | <sup>38</sup> Test Length<br>24 hrs                                                                               | <sup>39</sup> Tbg. Pressure<br>NA | <sup>40</sup> Csg. Pressure<br>NA      |
| <sup>41</sup> Choke Size<br>NA                                                                                                                                                                                                     | <sup>42</sup> Oil<br>109                   | <sup>43</sup> Water<br>233         | <sup>44</sup> Gas<br>116                                                                                          | <sup>45</sup> AOF                 | <sup>46</sup> Test Method<br>Pump Test |
| <sup>47</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.<br>Signature: Tina Huerta |                                            |                                    | OIL CONSERVATION DIVISION<br>Approved by: [Signature]<br>Title: District Supervisor<br>Approval Date: AUG 22 2003 |                                   |                                        |
| Printed name: Tina Huerta                                                                                                                                                                                                          |                                            |                                    |                                                                                                                   |                                   |                                        |
| Title: Regulatory Compliance Supervisor                                                                                                                                                                                            |                                            |                                    |                                                                                                                   |                                   |                                        |
| Date: August 18, 2003                                                                                                                                                                                                              |                                            | Phone: 505-748-1471                |                                                                                                                   |                                   |                                        |