

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

Operator Name and Address Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-15-32658
Property Code 32001	Property Name Losee BBU Com. <i>E/2</i>	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	28	17S	26E		660	S	1980	E	Eddy

Proposed Pools

WILDCAT MISSISSIPPIAN				
Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type Private	Ground Level Elevation 3368
Multiple N	Proposed Depth 8745	Formation Mississippi Limestone	Contractor	Spud Date 2/27/2003

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	36	1300	600	0
Prod	8.75	5.5	17	8745	2100	800

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Mississippian/intermediate formations. Approx. 400 of surface casing will be set/cemented to shut off gravel/cavings. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. MUD PROGRAM: 0-400 FW/Spud Mud; 400-1300 Fresh Water; 1300-7800 Cut Brine; 7800-8745 Salt Gel/Starch/KCL.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Electronically Signed By: Robert Asher		Electronically Approved By: Bryan Arrant	
Title: Regulatory Technician		Title: Geologist	
Date: 2/26/2003		Approval Date: 2/26/2003	Expiration Date: 2/26/2004
Phone: 505-748-4364		Conditions of Approval: There are conditions. See Attached.	

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Form C-102

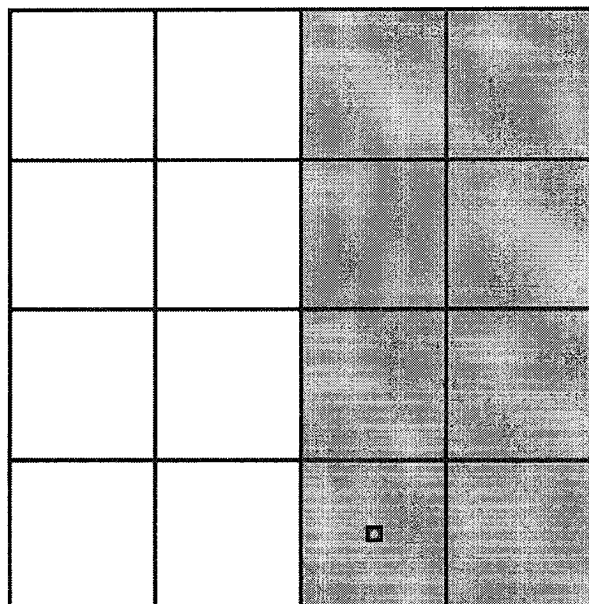
Oil Conservation Division
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-15-32658	Pool Name WILDCAT MISSISSIPPIAN	Pool Code
Property Code 32001	Property Name Losee BBU Com.	Well No. 001
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3368

Surface And Bottom Hole Location

UL or Lot O	Section 28	Township 17S	Range 26E	Lot Idn	Feet From 660	N/S Line S	Feet From 1980	E/W Line E	County Eddy
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

**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: 2/26/2003

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: Dan Reddy

Date of Survey: 1/28/2003

Certificate Number: 5412

APD Conditions Of Approval

Operator: 25575 Yates Petroleum Corporation

Well: Losee BBU Com. 001

OCD Reviewer	Condition
BARRANT	
BARRANT	Fresh Water Mud to @1300 OCD notify of spud and to witness cementing of 13 3/8 and 9 5/8 casing.