

DISTRICT I  
1625 N. French Dr., Hobbs, NM 88240

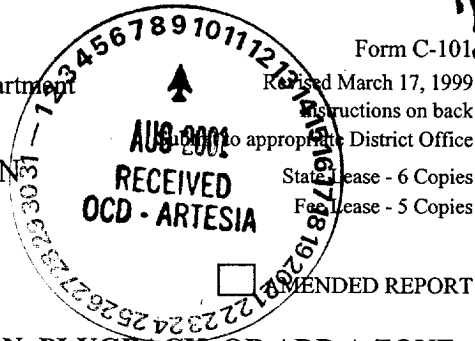
DISTRICT II  
811 South First, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV  
2040 South Pacheco, Santa Re, NM 8750:

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION  
PO BOX 2088  
Santa Fe, NM 87504-2088



Form C-101

Revised March 17, 1999  
Instructions on back  
Submit to appropriate District Office  
State Lease - 6 Copies  
Federal Lease - 5 Copies

☐ RECOMMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
		<sup>3</sup> API Number 30- 015-31941
<sup>4</sup> Property Code 28584	<sup>5</sup> Property Name Grande Mike AZK State	<sup>6</sup> Well No. 1

**7 Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
8	2	16S	29E		1650'	South	1550'	West	Eddy

**8 Proposed Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

<sup>9</sup> Proposed Pool 1 Wildcat Mississippian	<sup>10</sup> Proposed Pool 2
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<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3733'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 10800'	<sup>18</sup> Formation Mississippian	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	400'	600 sx	Surface
11"	8 5/8"	32#	2800'	1700 sx	Surface
7 7/8"	5 1/2"	17#	10800'	700 sx	TOC-6800'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Mississippian and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**MUD PROGRAM:** 0-400' FWGel/Paper; 400'-2700' Brine; 2700'-10000' Cut Brine; 10000'-10800' Salt Gel/Starch/Drispac.

**BOPE PROGRAM:** A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Cy Cowan</i>		OIL CONSERVATION DIVISION Approved by: <b>ORIGINAL SIGNED BY TIM W. GUM</b> DISTRICT II SUPERVISOR	
Printed name: Cy Cowan		Title:	
Title: Regulatory Agent		Approval Date: <b>AUG 09 2001</b> Expiration Date: <b>AUG 09 2002</b>	
Date: 08/08/01	Phone: (505) 748-1471	Conditions of Approval Attached <input type="checkbox"/>	