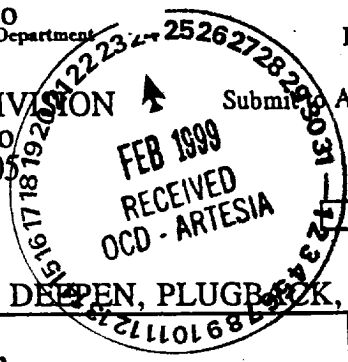


District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies



AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address. <b>Yates Petroleum Corporation</b> 105 S. 4th Street Artesia, New Mexico 88210		<sup>2</sup> OGRID Number 025575
<sup>4</sup> Property Code 24269	<sup>5</sup> Property Name South Avalon "ASZ" State Com.	<sup>3</sup> API Number 30-015-30582
		<sup>6</sup> Well No. 1

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
C	14	21S	26E		660'	North	1650'	West	Eddy

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
<sup>9</sup> Proposed Pool 1 Burton Flat Morrow					<sup>10</sup> Proposed Pool 2				

<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 3160'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 11,300'	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

**Minimum WOC time 18 days** <sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	600'	550 sx	Circulated
12 1/4"	8 5/8"	24#	2200'	1600 sx	Circulated
7 7/8"	5 1/2"	17#	11,300'	400 sx	TOC 8100'

<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 Morrow and intermediate formations. Approximately 600' of surface casing will be set and cement circulated to shut off gravel and caving. Approximately 2200' of intermediate casing will also be set. If commercial, production casing will be run and cement circulated. Will perforate and stimulate as needed for production.

MUD PROGRAM: 0-600' FW Gel; 600'-2200' FW/LCM; 2200'-8600' FW; 8600'-9800' Brine; 9800'-11300' Salt Gel/Starch/Drispack.

BOPE PROGRAM: BOPE will be installed of 8 5/8" casing and tested daily. (5000#)

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: Ken Beardemphl

Title: Landman

Date: February 23, 1999

Phone: 505-748-4347

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY TIM W. GUM  
DISTRICT II SUPERVISOR

Title:

Approval Date: 2-26-99

Expiration Date: 2-26-00

Conditions of Approval:  
Attached ☐

Notify N.M.O.C.C. in sufficient

time to witness cementing  
the 8 5/8" casing