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 nergy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Form C-101 My Revised October 18, 1994 Instructions on back

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AMENDED REPORT .

| APPLICA  | TION I         | FOR                       | PEF         | RMIT T            | O DRII         | LL, RE-EN            | ITER, DEE                                    | PEN             | I, PLUGBA           | ACK,                  | OR A                         | ADD A ZONE                |  |  |
|--|----------------|---------------------------|-------------|-------------------|----------------|----------------------|--|-----------------|---------------------|-----------------------|------------------------------|---------------------------|--|--|
| APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK,  1 Operator Name and Address.   |                |                           |             |                   |                |                      |  |                 |                     |                       |                              | <sup>2</sup> OGRID Number |  |  |
| Yates Petroleum Corporation  |                |                           |             |                   |                |                      |  |                 |                     |                       | 025575                       |                           |  |  |
| 105 S. 4th Street Artesia, New Mexico 88210  |                |                           |             |                   |                |                      |  |                 |                     |                       | 30 - 0/5 - 30637             |                           |  |  |
|  |                |                           |             |                   |                |                      |  |                 |                     |                       | <u> </u>                     | 'Well No.                 |  |  |
| * Property Code<br>22552   |                |                           |             |                   |                | Jacque AQJ State     |  |                 |                     |                       |                              | 4                         |  |  |
|  |                | l                         |             |                   |                | <sup>7</sup> Surface | Location                                     |                 |                     |                       |                              |                           |  |  |
| UL or lot no.  | Section<br>34  | Township 21S              |             | Range Let Idn 31E |                | Feet from the        | North/South line<br>North                    |                 | Feet from the 330 ' | East/West lin<br>West |                              | County<br>Eddy            |  |  |
| 8 Proposed Bottom Hole Location If Different From Surface  |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| UL or lot no. Section To   |                |                           | Township    |                   | Lot Ida        | Feet from the        | North/South line                             |                 | Feet from the East  |                       | West line Commy              |                           |  |  |
| Proposed Pool I  |                |                           |             |                   |                |                      |  |                 | 10 Propo            | Pool                  | 2 A/                         | DP 1000                   |  |  |
| West Lost Tank 96482   |                |                           |             |                   |                |                      | "Proposition 2 APR 1999 4                    |                 |                     |                       |                              |                           |  |  |
|  |                |                           |             |                   |                |                      | S OCD - ARTES                                |                 |                     |                       |                              |                           |  |  |
|  | Гуре Code<br>N | <sup>12</sup> Well Type C |             | e Code            | " Cal          | ile/Rotary           |  | " Lease Type Co | 10                  |                       | round Level Electron<br>3458 |                           |  |  |
| 16 Mt  | 17 Proposed I  |                           | Depth.      |                   | rmation        |                      | 17 Contractor                                | 168             | 12910               | 24 Spot Date          |                              |                           |  |  |
| No 8150'   |                |                           |             |                   |                | <u> </u>             | ware Undesignated Visit                      |                 |                     |                       |                              | IVIASAP                   |  |  |
| <sup>21</sup> Proposed Casing and Cement Program   |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| Hole S   | Casing Size    |                           |             | Casir             | ng weight/foot | Setting D            | Setting Depth                                |                 | Sacks of Cement     |                       | Estimated TOC                |                           |  |  |
| 17 1/2"  |                | 13 3/8"                   |             |                   | _              | 54.5#                | 850 <b>'</b>                                 |                 |                     | 850                   |                              | Circulate                 |  |  |
| 11"  |                | 8 5/8"                    |             |                   | _              | 32.0#                | 4100'  |                 | 2500                |                       | <del>-</del> -}-             | Circulate                 |  |  |
| 7 7/   | 5 1/2"         |                           |             | 1/ &              | 15.5#          | m WOC time24 h       |  | <del></del>     | As Warranted        |                       | Circulate                    |                           |  |  |
|  |                |                           |             |                   |                | Winnin               | A Mod mari                                   |                 | 7.44                | <del>-</del>          |                              |                           |  |  |
| The state of the s |                |                           |             |                   |                |                      |  |                 |                     | ve zone e             | nd pror                      | posed new productive      |  |  |
| 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 Delaware and intermediate formations. Approximately 850' of surface casing will be set and cement circulated. Approximately 4100' of intermediate casing will be set and cement circulated. If  |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| commercial, production casing will be run and cemented to tie-back to the 8 5/8"   |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| casing. Will perforate and stimulate as needed for production.  MUD PROGRAM: Native mud to 850'; Brine to 4100'; Cut Brine to TD. $627 + 10$   |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| ROPE PROCEAM. BOPE will be installed on the 13 3/8" casing and tested daily for  |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| operational.   |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| A LETTER HAS BEEN SENT TO MISSISSIPPI POTASH, INC. [2-111-P  |                |                           |             |                   |                |                      |  |                 |                     |                       |                              |                           |  |  |
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.   |                |                           |             |                   |                |                      | OIL CONSERVATION DIVISION                    |                 |                     |                       |                              |                           |  |  |
| Signature: Clubby R. May   |                |                           |             |                   |                |                      | Approved by: ORIGINAL SIGNED BY TIM W. GUM36 |                 |                     |                       |                              |                           |  |  |
| Printed name: CLIFTON R. MAY   |                |                           |             |                   |                |                      | Trile:                                       |                 |                     | WIER                  | <b>413U</b> 1                | <b>.</b>                  |  |  |
| Title: REGULATORY AGENT  |                |                           |             |                   |                |                      | Approval Date: 5-3-99 Expirat                |                 |                     |                       | ion Date:                    | 5-3-00                    |  |  |
| Date: Phone: Conditions of Approval:   |                |                           |             |                   |                |                      |  |                 | y N.N               | LO.C.                 | C. in sufficient             |                           |  |  |
| L  |                | •                         | <del></del> |                   |                |                      | <del></del>                                  | <del></del>     |                     |                       |                              | es cementing              |  |  |
|  |                |                           |             |                   |                |                      |  |                 |                     | the/3                 | 1/4.5                        | 8 Caring                  |  |  |

WILLIAM WE COME

9 - 111 - 9