

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

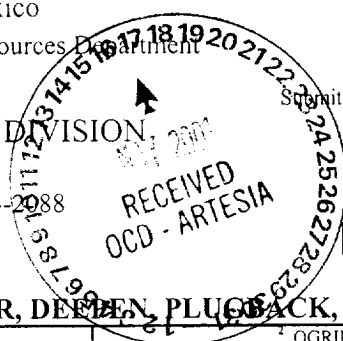
Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

C15F  
B2M  
5+2d  
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APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, 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>4</sup> Property Code 27485		<sup>3</sup> API Number 30- 015- 31792
<sup>5</sup> Property Name Lucy ALC State		<sup>6</sup> Well No. 2

<sup>7</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
1	34	21E	31E		1650'	South	330'	East	Eddy

<sup>8</sup> 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 Undesignated Lost Tank Delaware					<sup>10</sup> Proposed Pool 2 PLEASE NOTE ATTACHED POTASH AGREEMENT.				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 3505'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8500'	<sup>18</sup> Formation Delaware	<sup>19</sup> Contractor Not Determined	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	650'	450 sx	Surface
11"	8 5/8"	32#	4150'	1400 sx	Surface
7 7/8"	5 1/2"	15.5# + 17#	8500'	750 sx	TOC/3600'
					Surface

<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 production. Describe the blowout prevention program, if any. Use additional sheets if necessary.

R-III-P

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 650' 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: 0-650' FW/Native Mud; 650'-4150' Brine; 4150'-6500' Cut Brine; 6500'-8500' Cut Brine/Starch.

BOPE PROGRAM: A 3000# 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:		OIL CONSERVATION DIVISION <b>B61</b>	
Printed name: Cy Cowan		Approved by: <b>ORIGINAL SIGNED BY TIM W. GUM</b>	
Title: Regulatory Agent		Title: <b>DISTRICT II SUPERVISOR</b>	
Date: 05/17/01		Approval Date: <b>MAY 18 2001</b> Expiration Date: <b>MAY 18 2002</b>	
Phone: (505) 748-1471		Conditions of Approval: Attached <input type="checkbox"/>	

NOTIFY OCD SPUD & TIME TO WITNESS  
CEMENTING OF ALL CASING STRINGS