

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

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- 015-31911
<sup>4</sup> Property Code 12328	<sup>5</sup> Property Name Graham AKB State	<sup>6</sup> Well No. 5

<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
C	2	22S	31E		330	North	2310	West	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 3514'
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 8400'	<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

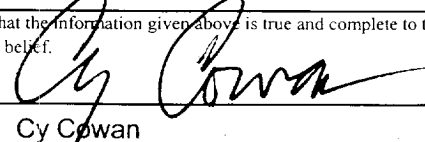
Hole Size	Casing Size	Casing weight/feet	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	850'	450 sx	Surface
11"	8 5/8"	32#	4100'	1400 sx	Surface
7 7/8"	5 1/2"	15.5# + 17#	8400'	Stage 1-400sx	TOC-6200'
			DV Tool@4050'	Stage 2-375sx	Surface

<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 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 to shut off gravel and cavings. Intermediate casing will be set at 4100' and cemented to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-850' FW/Native Mud; 850'-4100' Brine; 4100'-6800' Cut Brine; 6800'-8400' 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 Approved by: <b>ORIGINAL SIGNED BY TIM W. GUM</b> DISTRICT II SUPERVISOR	
Printed name: Cy Cowan		Title:	
Title: Regulatory Agent		Approval Date: JUL 24 2001 Expiration Date: MAR 9 2002	
Date: 07/24/01	Phone: (505) 748-1471	Conditions: Attached NOTIFY OCD SPUD & TIME TO WITNESS CEMENTING OF ALL CASING STRINGS	