

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PC Drawer 5D, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

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

Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia New Mexico 88210		GRID Number 025575
Property Code 22552	Property Name Jacque AQJ State	API Number 30-015-20083
		Well No. 4

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
D	34	21S	31E		990	North	330'	West	Eddy

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Bottom Hole Location If Different From Surface									
Proposed Pool 1 W Lost Tank Undesignated Delaware 96482									
Proposed Pool 2 Post FD-1 2-20-98 DPE & Loc									

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation
Multiple No	Proposed Depth 8500'	Formation Delaware	Contractor Undesignated	Spud Date ASAP

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	54.5#	850'	850	Circulate
11"	8 5/8"	32.0#	4500' / 4100'	2500	Circulate
7 7/8"	5 1/2"	17 & 10#	TD	As Warranted	Tie Back

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 4500' 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 4500'; Cut Brine to TD.
BOPE PROGRAM: BOPE will be installed on the 13 5/8" casing and tested daily.

LETTER HAS BEEN SENT TO NEW MEXICO POTASH CORPORATION.

Notify N.M.O.C.D. in Sufficient Time To Witness Cementing The 13 5/8" Casing

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: Clifton R May Printed name: Clifton R. May Title: Regulatory Agent Date: 8/21/97		OIL CONSERVATION DIVISION Approved by: ORIGINAL SIGNED BY TIM W. GUM Title: DISTRICT II SUPERVISOR Approval Date: FEB 11 1998 Expiration Date: 2-11-99 Conditions of Approval: Attached <input type="checkbox"/> * NOTE CHANGE	
Phone: 748-1471			