

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

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

¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210		² OGRID Number 025575
³ Property Code 2-553/	⁴ Property Name Sharon AVH State	⁵ API Number 30-025-34891
		⁶ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	7	12S	35E		660'	North	660'	East	Lea

⁸ 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

⁹ Proposed Pool 1 Wildcat Mississippian	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4123'
¹⁶ Multiple No	¹⁷ Proposed Depth 12500'	¹⁸ Formation Mississippian	¹⁹ Contractor Not determined	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42#	400'	400 sx	circulated
11"	8 5/8"	32#	4200'	1400 sx	circulated
7 7/8"	4 1/2"	11.6#	12500'	850 sx	TOC-7300'

²² 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 Mississippian and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be cemented and circulated. If commercial, production casing will be run and cemented back to 7300'; perforated and stimulated as needed for production.

MUD PROGRAM: 0-400' FW gel; 400-4200' cut brine to brine; 4200-7750' cut brine; 7750'-11500' brine/s gel/diesel; 11500-TD salt gel/starch.

BOPE PROGRAM: A 5000# BOPE will be installed on 8 5/8" casing and tested daily.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Ken Beardemphl</i>		OIL CONSERVATION DIVISION	
Printed name: Ken Beardemphl		Approved by:	
Title: Landman		Title:	
Date: March 24, 2000		Approval Date: <i>3/24/00</i> Expiration Date:	
Phone: (505) 748-1471		Conditions of Approval: Attached <input type="checkbox"/>	

For 100% Approval From Approval
Date of Approval: 3/24/00

MP