

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-101

**APPLICATION FOR PERMIT TO DRILL**

Operator Name and Address <b>Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210</b>		OGRID Number <b>25575</b>
		API Number <b>30-5-63608</b>
Property Code <b>32853</b>	Property Name <b>Carddeck BDD State Com.</b>	Well No. <b>001</b>

**Surface Location**

UL or Lot <b>N</b>	Section <b>16</b>	Township <b>10S</b>	Range <b>26E</b>	Lot Idn	Feet From <b>660</b>	N/S Line <b>S</b>	Feet From <b>1980</b>	E/W Line <b>W</b>	County <b>Chaves</b>
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**Proposed Pools**

<b>UNDES. FOOR RANCH; PRE-PERMIAN</b>
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Work Type <b>New Well</b>	Well Type <b>Gas</b>	Cable/Rotary	Lease Type <b>State</b>	Ground Level Elevation <b>3784</b>
Multiple <b>N</b>	Proposed Depth <b>6300</b>	Formation <b>Undesignated Precambrian</b>	Contractor	Spud Date

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	14.75	11.75	42	600	500	0
Int1	11	8.625	24	1600	100	1400
Prod	7.875	5.5	15.5	6300	650	3900

**Casing/Cement Program: Additional Comments**

Yates Petroleum Corporation proposes to drill and test the Precambrian/intermediate formations. Approximately 600' of surface casing will be set/cement circulated to surface. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. INTERMEDIATE CASING WILL ONLY BE SET IF LOST CIRCULATION IS ENCOUNTERED. If no intermediate casing is set, hole size will be reduced from 11" to 7 7/8" at 1600'. No H2S anticipated. MUD PROGRAM: 0-600' FWGel/Paper/LCM; 600-1300' Cut Brine; 1300'-4300' Brine; 4300-6300' Starch/Salt Gel. BOPE PROGRAM: A 2000#

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	2000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Debbie Caffall

Title: Regulatory Technician

Date: 9/10/2003

Phone: 505-748-4364

### OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 9/10/2003

Expiration Date: 9/10/2004

Conditions of Approval:

There are conditions. See Attached.

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**

Form C-102

**Oil Conservation Division**

1220 S. St Francis Dr.

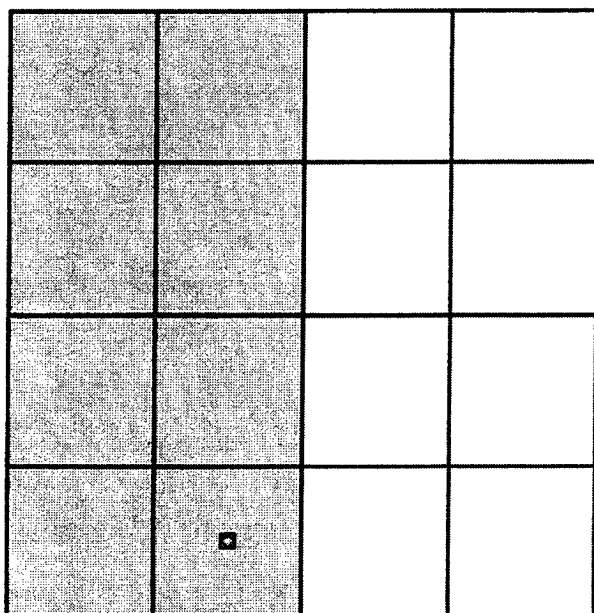
Santa Fe, NM 87505

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-5-63608	Pool Name UNDES. FOOR RANCH; PRE-PERMIAN	Pool Code
Property Code 32853	Property Name Carddeck BDD State Com.	Well No. 001
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3784

**Surface And Bottom Hole Location**

UL or Lot N	Section 16	Township 10S	Range 26E	Lot Idn	Feet From 660	N/S Line S	Feet From 1980	E/W Line W	County Chaves
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Electronically Signed By: Debbie Caffall

Title: Regulatory Technician

Date: 9/10/2003

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

Electronically Signed By: Herschel Jones

Date of Survey: 8/5/2003

Certificate Number: 3640

## APD Conditions Of Approval

**Operator:** 25575 Yates Petroleum Corporation

**Well:** Carddeck BDD State Com. 001

OCD Reviewer	Condition
BARRANT	Cement to cover all oil, gas and water bearing zones.

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1986 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210-2118  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSKY  
TREASURER

September 10, 2003

Mr. Bryan Arrant  
Oil Conservation Division, District II Office  
1301 W. Grand Ave.  
Artesia, NM 88210

Re: Carddeck BDD State Com. #1  
660' FSL and 1980' FWL  
Section 16, T10S-R26E  
Chaves County, New Mexico  
H2S Contingency Plan

Sources at Yates Petroleum Corporation have relayed information to me that they believe there will not be enough H2S found in the Precambrian Formation to meet the OCD's minimum requirements for the submission of a contingency plan per Rule 118.

*from sources*

*per Debbie Caffall  
9/10/03*

Thank you,

YATES PETROLEUM CORPORATION

Robert Asher  
Regulatory Agent