

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

Form C-

## Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

**APPLICATION FOR PERMIT TO DRILL**

Operator Name and Address <b>YATES PETROLEUM CORPORATION</b> 105 South Fourth St. Artesia, NM 88210		OGRID Number <b>25575</b>
		API Number <b>30-015-33239</b>
Property Code <b>12553</b>	Property Name <b>Medano VA State</b>	Well No. <b>013</b>

**Surface Location**

UL or Lot <b>H</b>	Section <b>16</b>	Township <b>23S</b>	Range <b>31E</b>	Lot Idn <b>H</b>	Feet From <b>1650</b>	N/S Line <b>N</b>	Feet From <b>330</b>	E/W Line <b>E</b>	County <b>Eddy</b>
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**Proposed Pools**

<b>Los Medanos Delaware</b>				
Work Type <b>New Well</b>	Well Type <b>OIL</b>	Cable/Rotary	Lease Type <b>State</b>	Ground Level Elevation <b>3379</b>
Multiple <b>N</b>	Proposed Depth <b>8200</b>	Formation <b>Delaware</b>	Contractor	Spud Date <b>02/12/2004</b>

**Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	600	700	0
Int I	11	8.625	32	4100	1400	0
Prod	7.875	5.5	15.5	8200	900	6200

**Casing/Cement Program: Additional Comments**

Yates Petroleum Corporation proposes to drill/test the Morrow and intermediate formations. Approximately 600' 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: 0-600' FW/Native Mud; 600'-4100' Brine; 4100'-6800' Cut Brine; 6800'-8200' Cut Brine/Starch. BOPE PROGRAM: A 3000# BOPE will be installed on the 13 3/8" casing and tested daily. NO H2S ANTICIPATED.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
<b>Double Ram</b>	<b>3000</b>	<b>3000</b>	

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: 02/11/2004

Phone: 505-748-4364

## OIL CONSERVATION DIVISION

Electronically Approved By: Bryan Arrant

Title: Geologist

Approval Date: 02/13/2004

Expiration Date: 02/13/2005

Conditions of Approval:

There are conditions. See Attached.

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Form C-

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-015-33239	Pool Name Los Medanos Delaware	Pool Code
Property Code 12553	Property Name Medano VA State	Well No. 013
OGRID No. 25575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3379

**Surface And Bottom Hole Location**

UL or Lot H	Section 16	Township 23S	Range 31E	Lot Idn H	Feet From 1650	N/S Line N	Feet From 330	E/W Line E	County Eddy
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			

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**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: 02/11/2004

**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.*

Surveyed By: Herschel Jones

Date of Survey: 01/27/2004

Certificate Number: 3640

## Permit Comments

**Operator: YATES PETROLEUM CORPORATION , 25575**

**Well: Medano VA State #013**

User Name	Comment	Comment Date
DCAFFALL	Please note: as per phone conversation with Brian 02/11/04 Not in Potash Area	2/11/2004
BARRANT	Well is projected to test the Delaware formation and not the Morrow as stated in APD.	2/13/2004

## Permit Conditions Of Approval

**Operator: YATES PETROLEUM CORPORATION , 25575**

**Well: Medano VA State #013**

OCD Reviewer	Condition
BARRANT	Notify OCD time of spud and time to witness the cementing of the surfaces and intermediate casing strings.
BARRANT	Cement to cover ALL oil, gas and water bearing zones.