

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>30-5-63569</b>
Property Code <b>32389</b>	Property Name <b>Stare State Unit</b>	Well No. <b>001</b>

**Surface Location**

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
D	8	09S	27E		660	N	660	W	Chaves

**Proposed Pools**

<b>WILDCAT PRECAMBRIAN</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>3874</b>
Multiple <b>N</b>	Proposed Depth <b>6700</b>	Formation <b>Undesignated Precambrian</b>	Contractor	Spud Date <b>5/20/2003</b>

**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	350	450	0
Int1	12.25	8.625	24	1000	400	0
Prod	7.875	5.5	15.5	6700	650	4300

**Casing/Cement Program: Additional Comments**

**CEMENT TO COVER ALL OIL, GAS & WATERBEARING ZONES. YPC proposes to drill/test the Precambrian/intermediate formations. Approximately 350 ft. of surface casing will be set cemented. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. MUD PROGRAM: 0-350 ft. FW Gel/Paper/LCM; 350-1000 ft. FW; 1000-4750 ft. Brine; 4750-6700 ft. Starch/Salt Gel.**

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	
Electronically Signed By: Robert Asher	
Title: Regulatory Technician	
Date: 5/19/2003	Phone: 505-748-4364

<b>OIL CONSERVATION DIVISION</b>	
Electronically Approved By: Bryan Arrant	
Title: Geologist	
Approval Date: 5/29/2003	Expiration Date: 5/29/2004
Conditions of Approval: There are conditions. See Attached.	

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Form C-102

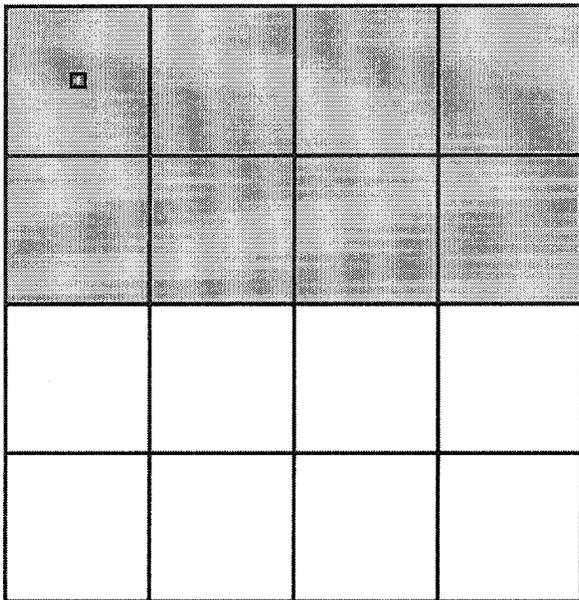
Oil Conservation Division  
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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number 30-5-63569	Pool Name WILDCAT PRECAMBRIAN	Pool Code
Property Code 32389	Property Name Stare State Unit	Well No. 001
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3874

**Surface And Bottom Hole Location**

UL or Lot D	Section 8	Township 09S	Range 27E	Lot Idn	Feet From 660	N/S Line N	Feet From 660	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: Robert Asher  
Title: Regulatory Technician  
Date: 5/19/2003

**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 L. Jones  
Date of Survey: 4/29/2003  
Certificate Number: 3640

## APD Comments

**Operator:** 25575 Yates Petroleum Corporation

**Well:** Stare State Unit 001

User Name	Comment	Comment Date
BARRANT	Setting depth for surface casing is set too deep. Max depth needs to be no greater than @450 feet. Refer to offset wells for more information	5/15/2003
BARRANT	FYI-Well location is just southeast of existing Foor Ranch; Pre-Permian Gas Pool	5/29/2003