

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
811 South First, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088

CISF
Blum
Steph
Form C-101
Revised March 17, 1999
Instructions on back
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 API Number 30- 005-63416 |
| ⁴ Property Code 12607 | ⁵ Property Name Nortex "WN" State Com | ⁶ Well No. 2 |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| E | 22 | 9S | 26E | | 1980' | North | 1000 | West | Chaves |

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 Undesignated Four Ranch Pre-Permian | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|-----------------------------------|---------------------------------------|-------------------------------------|--|---|
| ¹¹ Work Type Code N | ¹² Well Type Code G | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code State | ¹⁵ Ground Level Elevation 3772' |
| ¹⁶ Multiple N | ¹⁷ Proposed Depth 6235' | ¹⁸ Formation Basement | ¹⁹ Contractor Not Determined | ²⁰ Spud Date ASAP |

21 Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/feet | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 12 1/4" | 8 5/8" | 24# | 1100' | 550' | Surface |
| 7 7/8" | 5 1/2" | 15.5# | 6235' | 500 sx | TOC-3800' |
| | | | | | |

**** Cement to cover all oil, gas & waterbearing zones.**

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 Basement and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-1100' FWGel/Paper/LCM; 1100-4290' Brine; 4290-6235' Starch/Salt Gel.

BOPE PROGRAM: A 2000# BOPE will be installed on the 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>Pat Perez</i> | | OIL CONSERVATION DIVISION | |
| Printed name: Pat Perez | | Approved by: ORIGINAL SIGNED BY TIM W. GUN | |
| Title: Regulatory Agent | | Title: DISTRICT II SUPERVISOR | |
| Date: 08/29/01 | | Approval Date: AUG 30 2001 Expiration Date: AUG 30 2002 | |
| Phone: (505) 748-1471 | | Conditions of Approval Attached <input type="checkbox"/> | |