

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 Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-5-63539
Property Code 28461	Property Name Starkissed AWS State	Well No. 002

Surface Location

UL or Lot E	Section 3	Township 10S	Range 27E	Lot Idn	Feet From 1980	N/S Line N	Feet From 990	E/W Line W	County Chaves
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Proposed Pools**WILDCAT; BASEMENT 96061**

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 3879
Multiple N	Proposed Depth 7320	Formation Devonian	Contractor	Spud Date 11/20/2002

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	900	450	0
Prod	7.875	5.5	17	7320	600	4500

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Devonian/intermediate formations. Approx. 900 of surface casing will be set/cemented. If commercial, production casing will be run/cemented, will perforate/stimulate as needed for production. MUD PROGRAM: 0-900 FW Gel/Paper/LCM; 900-4950 Brine; 4950-7320 Starch/Salt Gel.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	3000	