

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

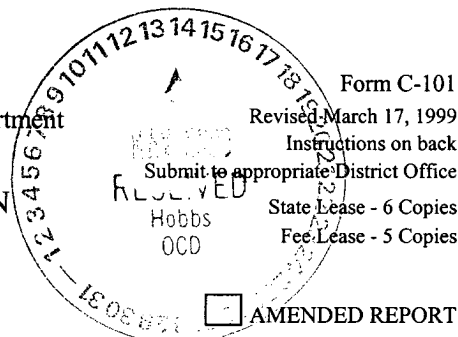
DISTRICT II
811 South First, Artesia, NM 88210

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

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
PO BOX 2088
Santa Fe, NM 87504-2088



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 30-025-35581
⁴ Property Code 28082	⁶ Well No. 1	

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
C	18	12S	35E		660	North	1980	West	Lea

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 Four Lakes Wildcat Mississippiian					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4122'
¹⁶ Multiple No	¹⁷ Proposed Depth 12,450'	¹⁸ Formation Mississippiian	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
14 3/4"	11 3/4"	42#	400'	400 sx	Surface
11"	8 5/8"	32#	4300'	1750 sx	Surface
7 7/8"	5 1/2"	17# & 20#	12450'	950 sx	TOC-7300

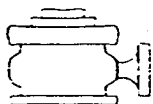
²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new production. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Mississippiian and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4300' and cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FWGel; 400-4300' Cut Brine to Brine; 4300-7800' Cut Brine; 7800'-11700' Brine/Salt Gel/Diesel; 11700'-TD Salt Gel/Starch.

BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

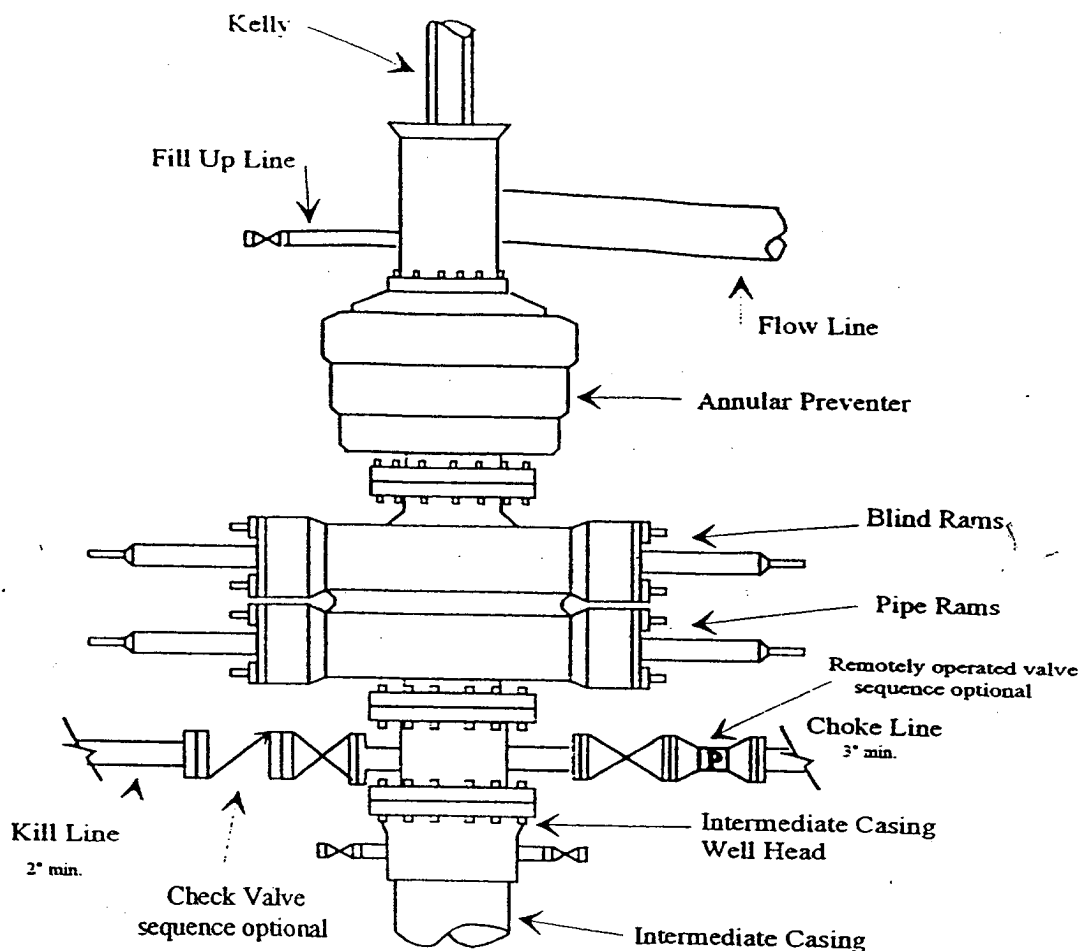
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Clifton R. May</i>		OIL CONSERVATION DIVISION	
Printed name: Clifton R. May		Approved by: <i>[Signature]</i>	
Title: Regulatory Agent		Title: PETROLEUM ENGINEER	
Date: 05/13/03	Phone: (505) 748-1471	Approval Date: MAY 19 2003	Expiration Date:
		Conditions of Approval Attached <input type="checkbox"/>	



Yates Petroleum Corporation

BOP-4

Typical 5,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack



Typical 5,000 psi choke manifold assembly with at least these minimum features

