

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 30-25-36137
Property Code 12519	Property Name Lotus ALT State	Well No. 006

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
F	32	22S	32E		1650	N	1650	W	Lea

Proposed Pools

LIVINGSTON RIDGE;DELAWARE, SE 39380

Work Type New Well	Well Type Oil	Cable/Rotary	Lease Type State	Ground Level Elevation 3536
Multiple N	Proposed Depth 8600	Formation Delaware	Contractor	Spud Date 1/30/2003

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	850	450	0
Int1	11	8.635	32	4500	1400	0
Prod	7.875	5.5	17	8600	950	0

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Delaware/intermediate formations. Approx. 850 of surface casing will be set and cement circulated. Approx. 4500 of intermediate casing will be set/cement circulated. If commercial, prod. casing will be run/cement circulated, perforated/stimulated as needed. MUD PROGRAM: 0-850 FW/Native Mud; 850-4500 Brine; 4500-6800 Cut Brine; 6800-TD Cut Brine/Starch.

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: 1/29/2003

Phone: 505-748-4364

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 1/29/2003

Expiration Date: 1/29/2004

Conditions of Approval:

No Conditions

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Energy, Minerals and Natural Resources

Form C-102

Oil Conservation Division

1220 S. St Francis Dr.

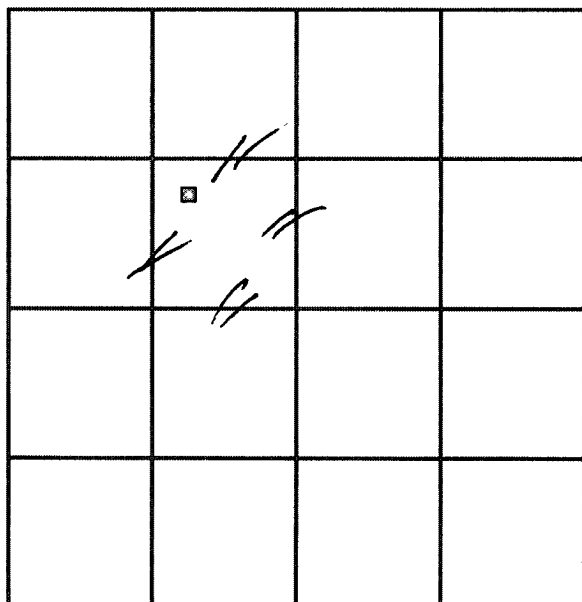
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36137	Pool Name LIVINGSTON RIDGE;DELAWARE, SE	Pool Code 39380
Property Code 12519	Property Name Lotus ALT State	Well No. 006
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 3536

Surface And Bottom Hole Location

UL or Lot F	Section 32	Township 22S	Range 32E	Lot Idn	Feet From 1650	N/S Line N	Feet From 1650	E/W Line W	County Lea
Dedicated Acres 40		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: 1/29/2003

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: 1/23/2003

Certificate Number: 3640

APD Comments

Operator: 25575 Yates Petroleum Corporation

Well: Lotus ALT State 006

There Are No Comments

APD Conditions Of Approval

Operator: 25575 Yates Petroleum Corporation

Well: Lotus ALT State 006

There Are No Conditions Of Approval