Form C-101

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

APPLICATION FOR PERMIT TO DRILL

II .	Operator Name and Address YATES PETROLEUM CORPORATION					
II .	05 South Fourth St. Artesia, NM 88210					
Property Code 25120	Property Name East Sand Springs Unit	Well No. 004				

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
G	13	11S	34E	G	1850	N	1980	E	Lea

Proposed Pools

WILDCAT S113411J;MISS (GAS) 97042

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 4151
Multiple N	Proposed Depth 12600	Formation Mississippi Limestone	Contractor	Spud Date

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	400	400	0
Int1	12.25	9.625	40	4200	1400	0
Prod	8.75	5.5	17	12600	1650	3700

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Mississippian/intermediate formations. Approximately 400' of surface casing will be cement circulated. If commercial, intermediate and production casing will be run and cemented to surface will perforate and stimulate as needed for production. MUD PROGRAM: 0-400' FW/Spud Mud; 400'-2075' FW; 2075' – 4200' Red Bed Mud/Oil; 4200' -7600' Cut Brine; 7600'-9700' Salt Gel/Oil; 9700'-11500' Salt Gel/Starch; 11500'- 126000' SW/Starch/4%KCL. NO H2S ANTICIPATED.

Proposed Blowout Prevention Program

Туре	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

I hereby certify that the information given above is true and	OIL CONSERVATION DIVISION				
complete to the best of my knowledge and belief.	Electronically Approved By: Paul Kautz				
Electronically Signed By: Debbie Caffall	Title: Geologist				
Title: Regulatory Technician	Approval Date: 12/09/2003 Expiration Date: 12/09/2004				
Date: 12/08/2003 Phone: 505-748-4364	Conditions of Approval: No Conditions				

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1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36501	Pool Name WILDCAT S113411J;MISS (GAS)	Pool Code 97042
Property Code 25120	Property Name East Sand Springs Unit	Well No. 004
OGRID No. 25575	Operator Name YATES PETROLEUM CORPORATION	Elevation 4151

Surface And Bottom Hole Location

UL or Lot	Section 13	Township 11S	Range 34E	Lot Idn G	Feet From 1850	N/S Line N	Feet From 1980	E/W Line E	County Lea
	ted Acres 20	Joint or	Infill	Consoli	dation Code		Order I	No.	

3		

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: Debbie Caffall

Title: Regulatory Technician

Date: 12/08/2003

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.

Surveyed By: Herschel Jones Date of Survey: 12/08/2003 Certificate Number: 3640