

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 30-25-36236
Property Code 29794	Property Name Big Hat State Unit	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	10	16S	33E		990	N	660	E	Lea

Proposed Pools

SOMBRERO;MORROW (GAS) 85620

Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 4207
Multiple N	Proposed Depth 13600	Formation Morrow	Contractor	Spud Date 4/3/2003

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	400	400	0
Int1	12.25	9.625	40	6050	2300	0
Prod	7.875	5.5	17	13600	1900	5550

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Morrow/intermediate formations. Approx. 400 ft. of surface casing will be set/cemented. Intermediate casing will be set @ 6050 ft., cement circulated to surface. If commercial, production casing will be run/cemented, perforate/stimulate as needed for production. MUD PROGRAM: 0-400 ft. FW; 400-1500 ft. FW; 1500-6050 ft. Redbed Mud/Starch; 6050-9580 ft. Cut Bine; 9580-12100 ft. Cut Brine/Brine; 12100-13600 ft. SW/Starch/4% KCL.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

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: 4/2/2003	Phone: 505-748-4364

OIL CONSERVATION DIVISION	
Electronically Approved By: Paul Kautz	
Title: Geologist	
Approval Date: 4/3/2003	Expiration Date: 4/3/2004
Conditions of Approval: No Conditions	

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State of New Mexico

Form C-102

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

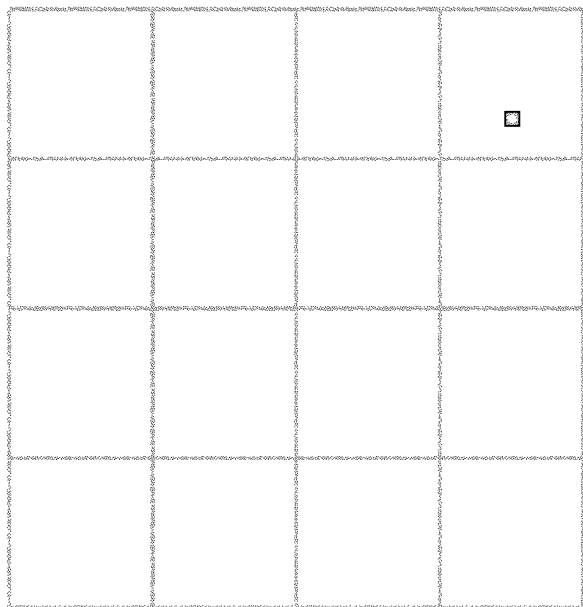
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36236	Pool Name SOMBRERO;MORROW (GAS)	Pool Code 85620
Property Code 29794	Property Name Big Hat State Unit	Well No. 002
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 4207

Surface And Bottom Hole Location

UL or Lot A	Section 10	Township 16S	Range 33E	Lot Idn	Feet From 990	N/S Line N	Feet From 660	E/W Line E	County Lea
Dedicated Acres 320		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: 4/2/2003

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: 3/18/2003

Certificate Number: 3640

APD Comments

Operator: 25575 Yates Petroleum Corporation

Well: Big Hat State Unit 002

There Are No Comments