

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

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Yates Petroleum Corporation 105 South Fourth St. Artesia, NM 88210		OGRID Number 25575
		API Number 30-25-36254
Property Code 32254	Property Name Strait 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	32	10S	34E		660	N	660	E	Lea

Proposed Pools

SAND SPRINGS;MISSISSIPPIAN (GAS) 97125
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Work Type New Well	Well Type Gas	Cable/Rotary	Lease Type State	Ground Level Elevation 4227
Multiple N	Proposed Depth 12750	Formation Mississippi Limestone	Contractor	Spud Date 4/18/2003

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	4150	1400	0
Prod	8.75	7	26	12750	1650	3650

Casing/Cement Program: Additional Comments

YPC proposes to drill/test the Mississippian/intermediate formations. Approx. 400 ft. of surface casing will be set/cemented. Intermediate casing will be set @ 4150 ft., cement circ. to surface. If commercial, prod. casing will be run/cemented, perforate/stimulate as needed for production. MUD PROGRAM: 0-400 ft. FW/Spud Mud; 400-2070 ft. FW; 2070-4150 ft. Red Bed Mud/Oil; 4150-7750 Cut Brine; 7150-9250 ft. S Gel/Oil; 9250-11675 S Gel/Starch; 11675-TD SW/Starch/4% KCL.
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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.		OIL CONSERVATION DIVISION	
Electronically Signed By: Robert Asher		Electronically Approved By: Chris Williams	
Title: Regulatory Technician		Title: District Supervisor	
Date: 4/17/2003	Phone: 505-748-4364	Approval Date: 4/17/2003	Expiration Date: 4/17/2004
		Conditions of Approval: No Conditions	

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

Form C-102

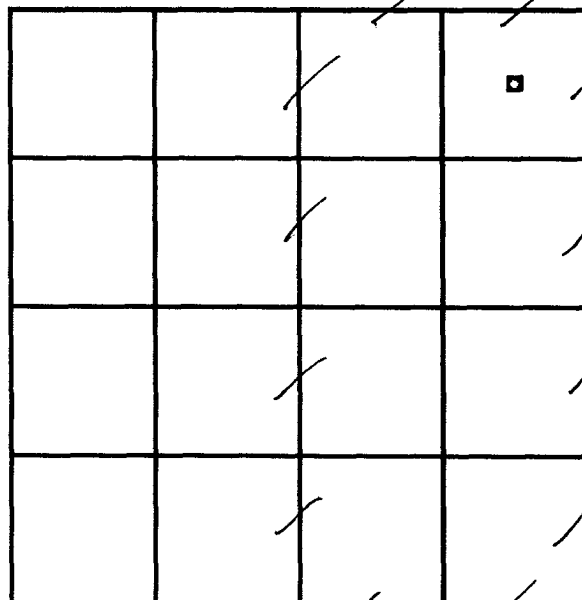
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36254	Pool Name SAND SPRINGS;MISSISSIPPIAN (GAS)	Pool Code 97125
Property Code 32254	Property Name Strait State Unit	Well No. 002
OGRID No. 25575	Operator Name Yates Petroleum Corporation	Elevation 4227

Surface And Bottom Hole Location

UL or Lot A	Section 32	Township 10S	Range 34E	Lot Idn	Feet From 660	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: 4/17/2003

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: 4/12/2003

Certificate Number: 3640

APD Comments

Operator: 25575 Yates Petroleum Corporation

Well: Strait State Unit 002

User Name	Comment	Comment Date
DMULL	You picked the wrong pool for this location. Pool should be Sand Springs Mississippian (Gas). Pool code is 97125.	4/17/2003