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

YATES PETROLE	OGRID Number 25575			
105 South Fourth S Artesia, NM 8821	API Number 30-025-36582			
Property Code 33450				

Surface Location

			1						I
UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
Ι	2	11S	34E	Ι	1750	S	700	Е	Lea

Proposed Pools

SAND SPRINGS; MISSISSIPPIAN (GAS) 97125

Work Type	Well Type	Cable/Rotary	Lease Type	Ground Level Elevation
New Well	GAS		State	4149
Multiple N	Proposed Depth 12350	Formation Mississippian Age Rocks- Undivided	Contractor	Spud Date 02/19/2004

Proposed Casing and Cement Program

Туре	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	1500	0
Prod	8.75	5.5	17	12350	2600	3700

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Mississippian/intermediate formations. Approximately 400' of surface casing will be set/cemented. Intermediate casing will be set @ 4200', cement circ. to surface. If commercial, production casing will be run/cemented, perforate/stimulate as needed for production. MUD PROGRAM: 0-400' FW/Spud Mud; 400'-2070' FW; 2070' – 4200' Red Bed Mud/Oil; 4200' -7650' Cut Brine; 7650'-9080' S Gel/Oil; 9080'-11510' S Gel/Starch; 11510'- TD SW/Starch/4% KCL. BOPE PROGRAM: A 5000 # BOPE will be installed on the 9 5/8" casing and tested daily. No

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: 02/19/2004 Expiration Date: 02/19/2005				
Date: 02/18/2004 Phone: 505-748-4364	Conditions of Approval: No Conditions				

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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Name	Pool Code
30-025-36582	SAND SPRINGS;MISSISSIPPIAN (GAS)	97125
Property Code	Property Name	Well No.
33450	Rokesmith BDI State Com.	001
OGRID No.	Operator Name	Elevation
25575	YATES PETROLEUM CORPORATION	4149

Surface And Bottom Hole Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	2	11S	34E	I	1750	S	700	E	Lea
	ted Acres 5.48	Joint or	Infill	Consoli	dation Code		Order	No.	

OPERATOR CERTIFICATION	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: Debbie Caffall	Electronically Signed By: Herschel Jones
Title: Regulatory Technician	Date of Survey: 02/09/2004
Date: 02/18/2004	Certificate Number: 3640