

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 30-025-36594
Property Code 33530	Property Name Atoka Bank State Unit	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
O	17	24S	33E	O	910	S	1980	E	Lea

Proposed Pools

TRISTE DRAW;MORROW, EAST (GAS) 96765

Work Type New Well	Well Type GAS	Cable/Rotary	Lease Type State	Ground Level Elevation 3562
Multiple N	Proposed Depth 15900	Formation Morrow	Contractor	Spud Date 02/24/2004

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	54.4	1600	1450	0
Int1	12.25	9.625	36	5000	1850	0
Int2	8.75	7	29	12750	1600	4500
Liner1	6.125	4.5	15.1	15900	700	12250

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation proposes to drill/test the Mississippian/intermediate formations. Approximately 1600' of surface casing will be set/cemented. 1st Intermediate casing will be set @ 5000', cement circ. to surface. 2nd Intermediate casing will be set @ 12,750', cement circ. to surface. If commercial, production casing will be run/cemented, perforate/stimulate as needed for production. MUD PROGRAM: 0-1500' FW/Gel/Paper; 1500'-5000' Brine; 5000' – 8400' Cut Brine; 8400' -12,750' Drispac; 12,750'- 15,900' ; Drispac, XCD Polymer. BOPE PROGRAM: A 5000 # BOPE will be installed on

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	
Double Ram	10000	10000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	
Electronically Signed By: Debbie Caffall	
Title: Regulatory Technician	
Date: 02/23/2004	Phone: 505-748-4364

OIL CONSERVATION DIVISION	
Electronically Approved By: Paul Kautz	
Title: Geologist	
Approval Date: 02/23/2004	Expiration Date: 02/23/2005
Conditions of Approval: No Conditions	

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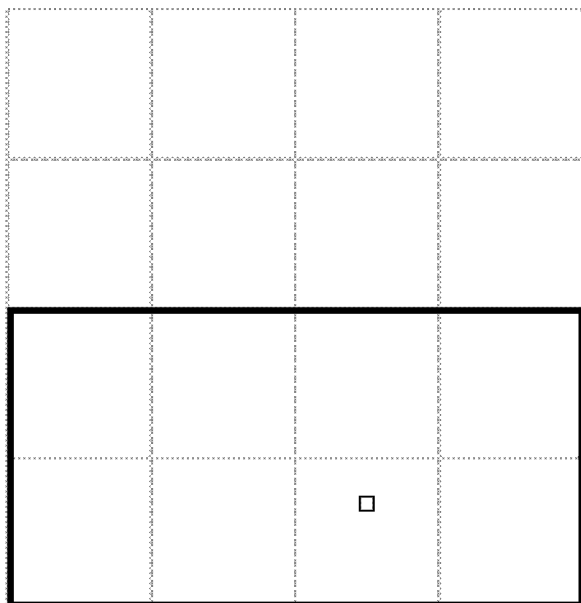
Form C-102

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36594	Pool Name TRISTE DRAW;MORROW, EAST (GAS)	Pool Code 96765
Property Code 33530	Property Name Atoka Bank State Unit	Well No. 001
OGRID No. 25575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3562

Surface And Bottom Hole Location

UL or Lot O	Section 17	Township 24S	Range 33E	Lot Idn O	Feet From 910	N/S Line S	Feet From 1980	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: Debbie Caffall

Title: Regulatory Technician

Date: 02/23/2004

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: 02/18/2004

Certificate Number: 3640