

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised March 17, 1999
Instructions on back
Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

DISTRICT II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

PO BOX 2088
Santa Fe, NM 87504-2088

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87501

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|---|
| ¹ Operator Name and Address Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 | | ² OGRID Number 025575 |
| | | ³ API Number 30-025-00005 |
| ⁴ Property Code 28068 | ⁵ Property Name Dwight "AZI" State Com | ⁶ Well No. 2 |

⁷ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| PT | 15 | 9S | 32E | | 1980 | South | 1980 | East | Lea |

⁸ Proposed Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West Line | County |
|--|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| ⁹ Proposed Pool 1 S.R.R. Atoka Gas | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|-----------------------------------|---|----------------------------------|--|--------------------------------------|
| ¹¹ Work Type Code E | ¹² Well Type Code G | ¹³ Cable/Rotary R | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 11,360' | ¹⁸ Formation Atoka | ¹⁹ Contractor Not Determined | ²⁰ Spud Date ASAP |

²¹ Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/feet | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|-------------------|-----------------|---------------|
| 17 1/2" | 13 3/8" | 36# | 338'-in place | 275 sx | Circulate |
| 12 1/4" | 8 5/8" | 24# | 0-400' | 900 sx | Circulate |
| 12 1/4" | 8 5/8" | 24 & 32# | 400-3535'-in pla. | 1500 sx | TOC-810' |
| 7 7/8 " | 5 1/2" | 17 & 20# | 0-TD | 950 sx | TOC-6000' |

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productivity. Describe the blowout prevention program, if any. Use additional sheets if necessary.

See Attached Sheet

Permit Expires 1 Year From Approval
Date Unless ~~Drilling~~ Underway
Re-Entry

| | | | |
|--|-----------------------|---|------------------|
| ²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Clifton R. May</i> | | OIL CONSERVATION DIVISION | |
| Printed name: Clifton R. May | | Approved by: <i>[Signature]</i> | |
| Title: Regulatory Agent | | Title: <i>[Signature]</i> | |
| Date: 05/31/01 | Phone: (505) 748-1471 | Approval Date: <i>[Signature]</i> | Expiration Date: |
| | | Conditions of Approval Attached <input type="checkbox"/> | |

SCA
mf