

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

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

Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
Property Code 20859	Property Name Mescalero ARL State	API Number 30-025-33969
		Well No. 1

Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	2	10S	32E		330'	South	330'	East	Lea

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
Proposed Pool 1 Mescalero Cisco Northeast					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation
Multiple No	Proposed Depth 9500'	Formation Bough	Contractor Undesignated	Spud Date ASAP

Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	11 3/4"	42.0#	400'	300 sx	Circulate
11"	8 5/8"	32.0#	3000'	1250 sx	Circulate
7 7/8"	5 1/2"	17.0# & 20.0#	9500'	1050 sx	As warranted

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

Yates Petroleum Corporation proposes to drill and test the Bough and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FW Gel Paper/LCM; 400'-3000' FW/Brine; 3000'-7000' Cut Brine; 7000'-TD Salt Gel/Starch.

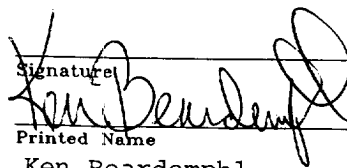

BOPE PROGRAM: BOPE will be installed on 8 5/8" casing and tested daily.

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Ken Beardemphl</i>		OIL CONSERVATION DIVISION	
Printed name: Ken Beardemphl		Approved by:	Orig. Signed by Paul Rantz
Title: Landman		Title:	Geologist
Date: May 15, 1997	Phone: (505) 748-1471	Approval Date: MAY 19 1997	Expiration Date:
		Conditions of Approval:	Attached <input type="checkbox"/>

Permit Expires 1 Year From Approval  
Date Unless Drilling Is Continual

Form C-102  
Revised February 10, 1994  
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Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

<div>330' 330'</div>	<h3>OPERATOR CERTIFICATION</h3> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <div><div>Signature</div><div></div><div>Printed Name</div><div>Ken Beardemphl</div><div>Title</div><div>Landman</div><div>Date May 19, 1997</div></div>	
	<h3>SURVEYOR CERTIFICATION</h3> <p>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.</p> <div><div>Date Surveyed</div><div>5/15/97</div></div>	
	<div><div>Signature &amp; Seal of Professional Surveyor</div><div></div><div>Certificate No. Herschel L. Jones RLS 3640</div><div>MESCALERO GSC DISK #4</div><div>GENERAL SURVEYING COMPANY</div></div>	
	<div>VA-0621</div>	

# YATES PETROLEUM CORPORATION

