

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

DISTRICT II  
811 South First, Artesia, NM 88210

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

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87501

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

PO BOX 2088  
Santa Fe, NM 87504-2088

Form C-101

Revised March 17, 1999

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

|   |  |   |
|---|--|---|
| <sup>1</sup> Operator Name and Address<br>Yates Petroleum Corporation<br>105 South Fourth Street<br>Artesia, New Mexico 88210 |  | <sup>2</sup> OGRID Number<br>025575     |
|   |  | <sup>3</sup> API Number<br>30-025-35374 |
| <sup>4</sup> Property Code<br>26018   | <sup>5</sup> Dome<br>Indigo State Unit | <sup>6</sup> Well No.<br>3              |

<sup>7</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South Line | Feet from the | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M             | 5       | 12S      | 35E   |         | 660           | South            | 990           | West           | Lea    |

<sup>8</sup> 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 |
|---|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| <sup>9</sup> Proposed Pool 1<br>Wildcat Mississippian |         |          |       |         | <sup>10</sup> Proposed Pool 2 |                  |               |                |        |

|                                   |   |  |  |   |
|-----------------------------------|---|--|--|---|
| <sup>11</sup> Work Type Code<br>N | <sup>12</sup> Well Type Code<br>G       | <sup>13</sup> Cable/Rotary<br>R          | <sup>14</sup> Lease Type Code<br>S         | <sup>15</sup> Ground Level Elevation<br>4150' |
| <sup>16</sup> Multiple<br>No      | <sup>17</sup> Proposed Depth<br>12,600' | <sup>18</sup> Formation<br>Mississippian | <sup>19</sup> Contractor<br>Not Determined | <sup>20</sup> Spud Date<br>ASAP               |

<sup>21</sup> Proposed Casing and Cement Program

| Hole Size | Casing Size | Casing weight/feet | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 14 3/4"   | 11 3/4"     | 42#                | 400'          | 400 sx          | Surface       |
| 11"       | 8 5/8"      | 32#                | 4300'         | 1750 sx         | Surface       |
| 7 7/8"    | 5 1/2"      | 17# & 20#          | 12600'        | 950             | TOC-7300      |
|           |             |                    |               |                 |               |
|           |             |                    |               |                 |               |

<sup>22</sup> 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 Mississippian and intermediate formations. Approximately 400' of surface casing will be set and cement circulated. Intermediate casing will be set at 4300' and cement circulated to surface. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0-400' FWGel; 400-4300' Cut Brine to Brine; 4300-7800' Cut Brine; 7800'-11700' Brine/Salt Gel/Diesel; 11700'-TD Salt Gel/Starch.

BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily.

|  |  |   |  |
|--|--|---|--|
| <sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.<br>Signature: <i>Clifton R. May</i> |  | OIL CONSERVATION DIVISION                                   |  |
| Printed name: Clifton R. May   |  | Approved by:  |  |
| Title: Regulatory Agent  |  | Title: <i>William Williams</i>                              |  |
| Date: 01/18/01   |  | Approval Date: <i>01/18/01</i> Expiration Date:             |  |
| Phone: (505) 748-1471  |  | Conditions of Approval<br>Attached <input type="checkbox"/> |  |

JAN 20 2001