

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

DISTRICT II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

State Lease - 6 Copies
Fee Lease - 5 Copies

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- 025-35422
⁴ Property Code 18177	⁵ Property Name Morton Unit	⁶ Well No. 3

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
P	32	14S	35E		800	South	660	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 Morton; Mississippian					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4023'
¹⁶ Multiple No	¹⁷ Proposed Depth 13,600'	¹⁸ Formation Mississippian	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
14 3/4"	11 3/4"	42#	400'	400 sx	Surface
11"	8 5/8"	32#	6200'	1650 sx	Surface
7 7/8"	5 1/2"	17# & 20#	13600'	1000 sx	TOC-7300

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 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 6200' 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' FW/Gel/Paper; 400'-6200' FW going to Brine; 6200'-12000' Cut Brine w/Sweeps; 12000'-13600' Salt Gel/Starch/Drispac.
BOPE PROGRAM: A 5000# BOPE will be installed on the 8 5/8" casing and tested daily for operational.

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:	
Title: Regulatory Agent		Title: <i>12/23/2001</i>	
Date: 02/23/01		Approval Date: <i>12/23/2001</i> Expiration Date: <i>12/23/2002</i>	
Phone: (505) 748-1471		Conditions of Approval Attached <input type="checkbox"/>	

Permit Expires 1 Year From Approval
Data Unless Drilling Underway