

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 Re, NM 8750:

☐ 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 30-025-35656
⁴ Property Code 26971	⁵ Property Name Chad "AXA" State	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
P	36	13S	34E		990'	South	1310'	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 Wildcat 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 4094'
¹⁶ Multiple N	¹⁷ Proposed Depth 13,700'	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#	4300'	1400 sx	Surface
7 7/8"	5 1/2"	17# & 20#	13700'	900 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 to shut off gravel and cavings. 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 going to Brine; 4300-7900' Cut Brine; 7900-12200'-Brine/S.Gel/Diesel; 12200'-TD Salt Gel/Starch.

BOPE PROGRAM: A 5000# BOPE will be installed on the 11 3/4" casing and tested daily.

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: _____	
Date: 08/10/01	Phone: (505) 748-1471	Approval Date: _____	Expiration Date: _____
		Conditions of Approval Attached <input type="checkbox"/>	

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

Handwritten initials