

District I  
PO Box 1980, Hobbs, NM 88241-1980  
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 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 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

|                                                                                                                                |                                                 |                                         |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|
| <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>30-025-02771 |
| <sup>4</sup> Property Code<br>25/51                                                                                            | <sup>5</sup> Property Name<br>Brunson AQK State | <sup>6</sup> Well No.<br>2              |

<sup>7</sup> Surface Location

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| H             | 10      | 16S      | 35E   |         | 1980'         | North            | 660'          | East           | Lea    |

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

| UL or lot no.                                        | Section | Township | Range | Lot Ida | Feet from the                 | North/South line | Feet from the | East/West line | County |
|------------------------------------------------------|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| <sup>9</sup> Proposed Pool 1<br>South Big Dog Strawn |         |          |       |         | <sup>10</sup> Proposed Pool 2 |                  |               |                |        |

|                                   |                                        |                                                   |                                            |                                               |
|-----------------------------------|----------------------------------------|---------------------------------------------------|--------------------------------------------|-----------------------------------------------|
| <sup>11</sup> Work Type Code<br>E | <sup>12</sup> Well Type Code<br>O      | <sup>13</sup> Cable/Rotary<br>Pulling Unit/Rotary | <sup>14</sup> Lease Type Code<br>S         | <sup>15</sup> Ground Level Elevation<br>4005' |
| <sup>16</sup> Multiple<br>No      | <sup>17</sup> Proposed Depth<br>11600' | <sup>18</sup> Formation<br>Strawn                 | <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/foot | Setting Depth | Sacks of Cement | Estimated TOC |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| 17 1/2"   | 13 3/8"     | 48#                | 367'          | 300 sx          | In Place      |
| 12 1/4"   | 8 5/8"      | 24#                | 4706'         | 1113 sx         | In Place      |
| 7 7/8"    | 5 1/2"      | 17#                | 10654'        | 250 sx          | TOC-5700'     |
| 4 3/4"    | 3 1/2"      | 9.2#               | 11600'        | 150 sx          | TOC-10,400'   |

<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.

SEE ATTACHED PAGE 2.

|                                                                                                                                                                  |  |                                                              |                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------|------------------|
| <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>Ken Beardemphl</i> |  | <b>OIL CONSERVATION DIVISION</b>                             |                  |
| Printed name: Ken Beardemphl                                                                                                                                     |  | Approved by: <i>[Signature]</i>                              |                  |
| Title: Landman                                                                                                                                                   |  | Title:                                                       |                  |
| Date: December 9, 1999                                                                                                                                           |  | Approval Date: 1-1-990                                       | Expiration Date: |
| Phone: (505) 748-1471                                                                                                                                            |  | Conditions of Approval:<br>Attached <input type="checkbox"/> |                  |

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C  
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*Re-entry*

*[Signature]*