District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 88210 District III

State of New Mexico 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

1000 Rio Brazos Rd., Aztec, NM 87410 District IV

40 South Pachec											DED REPORT		
APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, Operator Name and Address. Yates Petroleum Corporation											OR ADD A ZONE OGRID Number 025575		
105 S. 4th Street										3 API Number			
Artesia, New Mexico 88210										30 - 0 25-02786			
⁴ Prope 232	rty Code 57		* Property Name Runnels ASP								' Wei No. 3		
⁷ Surface Location													
UL or lot no.	Section	Township	Range	Let Idn	Feet from the North/Sout		ine Feet from the Eas		East/W	est line	County		
H	11 16S 35E			1980' Nort		660'		East		Lea			
8 Proposed Bottom Hole Location If Different From Surface													
UL or lot no.	Lor lot no. Section Tox		ownship Range		Feet from the	North/South line		Feet from the	East/West line		County		
A	11 16S 35E			700'	<u> </u>		1000'	East		Lea			
Proposed Pool 1 14 Proposed Pool 2													
Big Dog Strawn, South													
" Work 7		¹² Well Type Code		13 Cable/Rotary R			¹⁴ Lease Type Code		"Ground Level Elevation 3977 '				
16 Multiple NO		17 TVD 12,200' MD 12,750'			11 Fort		tion 1		"Contractor tterson Dldg.		24 Spud Date ASAP		
			2	¹ Propos	ed Casing a	nd Cement	Pro	gram					
Hole Size		Casi			ng weight/foot	Setting D			of Cement		Estimated TOC		
17"		13 3/8"			48#	350'-In Plac		e 350 sx		Circulate			
11"		8 5/8"			26#	4672 '- In Pla		ce 2100 sx		Circulate			
7 7/8"		5 1/2"			17#	11616'		400 sx		TOC-10600'			
4 1/2"		Open Hole		-		12560' MD)					
² 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 DRILLING PLAN.													
²³ I hereby certi of my knowled	nformation giv	elete to the best	OIL CONSERVATION DIVISION										
Signature:	the R.		Approved by:										
Printed name:	ON R. M		Title: Section 1999										
Title: REGULATORY AGENT						Approval Date(AF) 25 1959 Expiration Date:							
Date: March 25, 1999 Phone: So5-748-4347 Conditions of Approval: Attached D See attachment													