District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Brawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aziec, NM 87410
District IV

## State of New Mexico Energy, Minerals & Natural Resources Department

## OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-101 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office

State Lease - 6 Copies
Fee Lease - 5 Copies

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK,  Operator Name and Address.  YATES PETROLEUM CORPORATION								<sup>1</sup> OGRID Number				
105 South Fourth Street							025575					
Property Code				esia, New Mexico 88210						'API Number 30 - 0 25-25640		
19978			'Property Name Chambers AQI State								• Well No.	
			<u>.</u>	•	<sup>7</sup> Surface	Location						
I I	Section 27	Township 15S	Range 35E	Lot Ida	Feet from the	North/South in		of from the	East/W	1		
		8 Pr		Rotto-				660 '	Eas	t 	Lea	
L or lot so.	Section	Township	Range	Lot Idn	Hole Local	ion If Diffe	rent F	rom Sur	face			
				LOC 1GE	Feet from the	North/South lin	e Fo	t from the	East/W	est line	County	
'Proposed Pool I Townsend Permo Upper Po			Penn	10 Proposed P				ed Pool 2				
" Work Ty	pe Code	4:	Well Type	Code	13 Cable	Rotary	14 1	T C				
D			0 0		R		<sup>14</sup> Lease Type Code		le	15 Ground Level Elevation		
	" Multiple		" Proposed Depth		14 Formation		S  '' Contractor			3966.3		
" Muit			12,000'		Strawn		Not Known			26 Spud Date ASAP		
				Dronge	d Cosine	nd Cement F	COGE	m				
" Muit No			21	Propose	u Casing ai	id Cement F	LUZIA			at Fatimated TOC		
" Muit No Hole Size		Casin	COLLE	Casing	weight/foot	Setting Dept	h logia		Cement	-	dimetal TOC	
" Muit No Hole Size		13 3	/8"	Casing	weight/foot 48#	Setting Depti	h	Sacks of 365s			rculated	
" Multi No  Hole Size  17 1/2 11"	2"	13 3 8 5	/8" /8"	24#	48# & 32#	Setting Dept. 371' in p 4750' in p	lace	Sacks of	x	Ci	rculated	
# Muit No Hole Size 17 1/2 11" 7 7/8	2"	13 3 8 5 5 1	/8" /8" /2"	24# 15.5	48# & 32# # & 17# 1	Setting Depti	lace	Sacks of 365s	x x	Ci Ci	rculated rculated	
" Muit No Hole Size 17 1/2	2"	13 3 8 5	/8" /8" /2"	24# 15.5	48# & 32#	Setting Dept. 371' in p 4750' in p	lace	Secks of 365s 1200s	x x x	Ci Ci	rculated	

Yates Petroleum Corporation proposes to deepen this well to test the Strawn formation by drilling out the 5 1/2" casing set at 10,698' with a 4 3/4" bit to a TD of 12,000'. Log and test this formation. If considered commercial hang a 3 1/2" liner at 10,500', cement back into the 5 1/2" casing, dress off top of liner, perforate and stimulate as needed to gain production.

MUD PROGAM: SW Gel, Starch, Polymer from 10,600' to TD.

BOPE PROGRAM: BOPE will be installed on the 5 1/2" casing and tested daily for operational.

If hereby certify that the information given above is true and complete to the best of my knowledge and belief.  Signature:  Research	OIL CONSERVATION DIVISION Approved by:
Printed name:  Clifton R. May  Tide: Regulatory Agent	Approval Date:  Approval Date:  Expiration Date:
Date: November 26, 1996 (505) 748-1471	Conditions of Approval :  Attached   Expiration Date:

Parmit Expires I Year From Approvation in the United States of the Province of