

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Geology, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells) <u>30-025-30767</u>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>					
2. Name of Operator Yates Petroleum Corporation					
3. Address of Operator 105 South Fourth Street - Artesia, New Mexico 88210					
4. Well Location Unit Letter <u>F</u> : <u>2086</u> Feet From The <u>North</u> Line and <u>2086</u> Feet From The <u>West</u> Line Section <u>14</u> Township <u>17 South</u> Range <u>37 East</u> NMPM Lea County					
10. Proposed Depth <u>11,900'</u>					
11. Formation <u>Atoka</u>					
12. Rotary or C.T. <u>Rotary</u>					
13. Elevations (Show whether DF, RT, GR, etc.) <u>3741.0' GR</u>					
14. Kind & Status Plug. Bond <u>Blanket</u>					
15. Drilling Contractor <u>Undesignated</u>					
16. Approx. Date Work will start <u>As soon as possible</u>					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
<u>17 1/2"</u>	<u>13 3/8"</u>	<u>48# H-40</u>	<u>Approx. 450'</u>	<u>450 sacks</u>	<u>Circulate</u>
<u>12 1/4"</u>	<u>8 5/8"</u>	<u>32# J-55</u>	<u>Approx. 4300'</u>	<u>1500 sacks</u>	<u>400'</u>
<u>7 7/8"</u>	<u>5 1/2"</u>	<u>17# & 20# N-80</u>	<u>TD</u>	<u>450 sacks</u>	<u>9200'</u>

We propose to drill a 11900' well and test the Atoka and intermediate formations. Approximately 450' of surface casing will be set and cement circulated to shut off gravel and cavings. Approximately 4300' of intermediate casing will be set and cement circulated back to about 400'. If productive, 5 1/2" casing will be run and cemented back to approximately 9200', perforated and stimulated as needed for production.

MUD PROGRAM: FW gel to 450', native mud to 4300', water & paper to 10700', brine/polymer to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Clifton R. May TITLE Permit Agent DATE 12-19-89
TYPE OR PRINT NAME Clifton R. May (505) TELEPHONE NO. 748-1471

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DEC 29 1989

RECEIVED

DEC 22 1989

OCD
HOBBS OFFICE