

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

E-35

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM101582
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator YATES PETROLEUM CORPORATION Contact: ROBERT ASHER E-Mail: basher@ypcnm.com		7. If Unit or CA Agreement, Name and No. 32151
3a. Address 105 S 4TH STREET ARTESIA, NM 88210 25575	3b. Phone No. (include area code) Ph: 505.748.4364 Fx: 505.748.4572 Undes	8. Lease Name and Well No. MUCHO LUCK BBW FEDERAL COM. 1
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW 990FSL 660FWL At proposed prod. zone SWSW 990FSL 660FWL 4. m		9. API Well No. 30-015-32709
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 9 MILES NE OF ARTESIA, NM		10. Field and Pool, or Exploratory CROW FLATS-MORROW
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660	16. No. of Acres in Lease 160.00	11. Sec., T., R., M., or Bk. and Survey or Area Sec 27 T16S R27E Mer NMP
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 5280	19. Proposed Depth 9100 MD	12. County or Parish EDDY
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3437 GL	22. Approximate date work will start	13. State NM
23. Estimated duration 48 DAYS		14. Spacing Unit dedicated to this well 320.00
24. Attachments Koswell Controlled Water Basin		20. BLM/BIA Bond No. on file

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) CY COWAN Ph: 505.748.4372	Date 02/18/2003
Title REGULATORY AGENT		
Approved by (Signature) /s/ LESLIE A. THEISS	Name (Printed/Typed) /s/ LESLIE A. THEISS	Date MAR 25 2003
Title FIELD MANAGER	Office CARLSBAD FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #18625 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by Armando Lopez on 02/18/2003 (03AL0146AE)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **

DISTRICT II
111/2 South First, Artesia, NM 88210
DISTRICT III
600 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

Energy, Minerals and Natural Resources Department

Instruction on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Crow Flats Morrow
Property Code	Property Name MUCHO LUCK "BBW" FEDERAL COM.	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3437

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	27	16S	27E		990	SOUTH	660	WEST	EDDY

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

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

NM-101582		NM-101584	
N.32°53'20.9" W.104°16'23.3"			
3448 3442			
660			
3439 3435			
660			

OPERATOR CERTIFICATION

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

Signature

Cy Cowan

Printed Name

Regulatory Agent

Title

February 14, 2003

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown
on this plat was plotted from field notes of
actual surveys made by me or under my
supervision, and that the same is true and
correct to the best of my belief.

1/22/2003

Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No. Rachel L. Jones RLS 3640

MUCHO LUCK
GENERAL SURVEYING COMPANY

YATES PETROLEUM CORPORATION

105 South 4th Street

Artesia, NM 88210

Mucho Luck BBW Federal Com. #1

990' FSL and 660' FWL

Sec. 27-T16S-R27E

Eddy County, New Mexico

Exhibit "B"

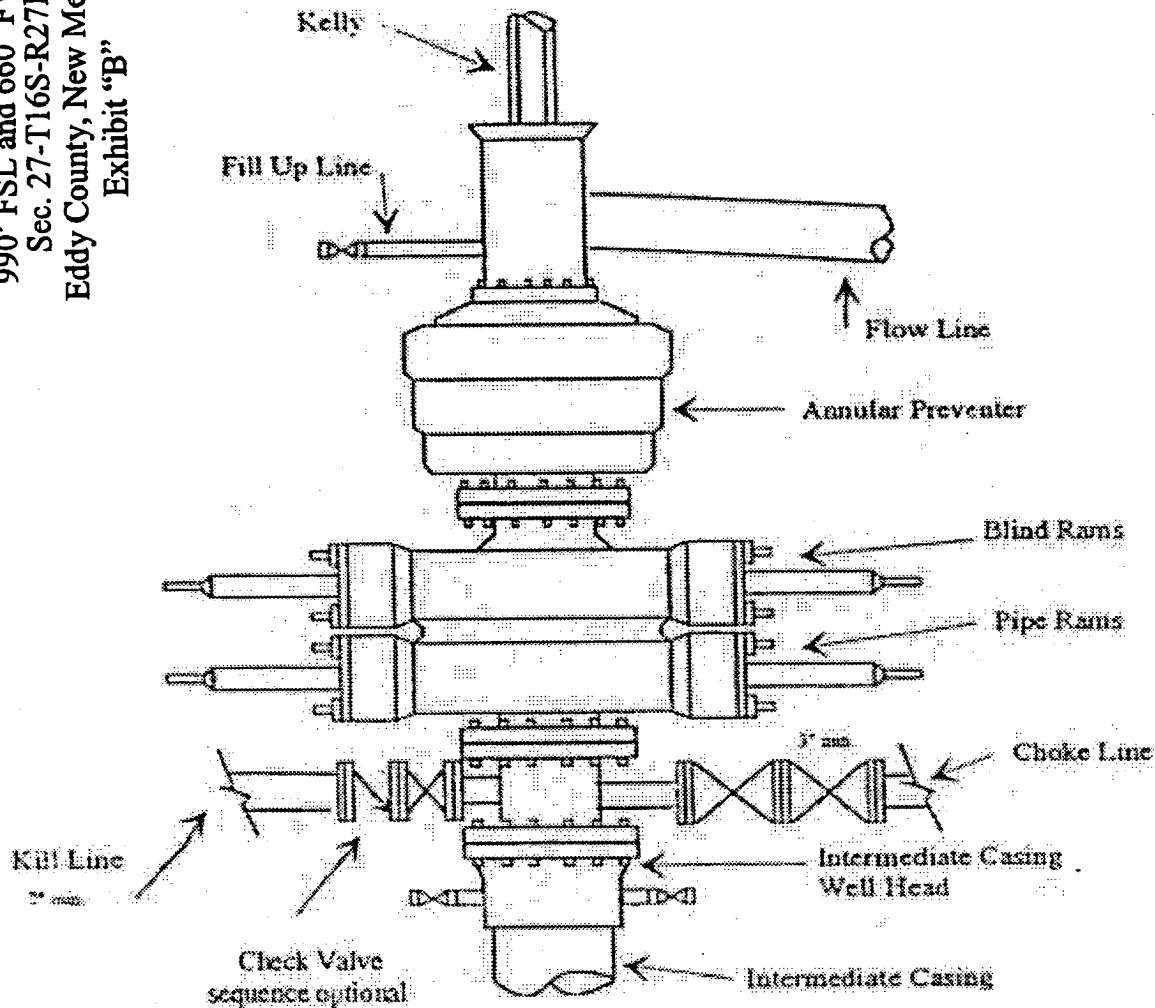
Yates Petroleum Corporation

BOP-3

Typical 3,000 psi Pressure System

Schematic

Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features

