

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. 25403
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. Mule Deer "ATU" Federal Com #2
2. Name of Operator Yates Petroleum Corporation 25575		9. API Well No. 30-015-31223
3a. Address 105 South Fourth Street Artesia, New Mexico 88210	3b. Phone No. (include area code) (505) 748-1471	10. Field and Pool, or Exploratory Well 1
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 2310' FSL & 660' FEL Little Box Canyon; At proposed prod. zone same Unit I Morrow		11. Sec., T., R., M., or Blk. and Survey or Area Section 11, T21S-R21E
14. Distance in miles and direction from nearest town or post office* Approximately 38 miles southwest of Artesia, New Mexico		12. County or Parish Eddy
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'		13. State NM
16. No. of Acres in lease 160		17. Spacing Unit dedicated to this well 320
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file 585997
19. Proposed Depth 8500'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4533'
22. Approximate date work will start* ASAP		23. Estimated duration 38 days

24. Attachments

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

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) Ken Beardemphl	Date 5/3/00
Title Landman		
Approved by (Signature) (ORIG. SGD.) ARMANDO A. LOPEZ	Name (Printed/Typed) (ORIG. SGD.) ARMANDO A. LOPEZ	Date JUN 29 2000
Title Assistant Field Manager, Lands And Minerals		
Office ROSWELL FIELD OFFICE		

APPROVED FOR 1 YEAR

Application approval does not warrant or certify the 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.

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.

*(Instructions on reverse)

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
SPECIAL STIPULATIONS
ATTACHED

Notify OCD at SPUD & TIME
to witness cementing the
9 5/8" casing.

NSL-

RECEIVED
BUREAU OF LAND MANAGEMENT
ROSWELL OFFICE

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