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| LAND OFFICE | |
| OPERATOR | |

5A. Indicate Type of Lease
STATE FEE

5. State Oil & Gas Lease No.

7. Unit Agreement Name

8. Farm or Lease Name
Lightcap "YR"

9. Well No.
2

10. Field and Pool, or Wildcat
Wildcat/SA

17. County
Chaves

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well
DRILL DEEPEN PLUG BACK
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
207 S. 4th, Artesia, New Mexico 88210

4. Location of Well
UNIT LETTER D LOCATED 990 FEET FROM THE North LINE
AND 990 FEET FROM THE West LINE OF SEC. 31 TWP. 7S RGE. 30E NMPM

19. Proposed Depth
appr. 3450'

19A. Formation
San Andres

20. Rotary or C.T.
Rotary

21. Elevations (show whether DF, KI, etc.)
4191' GL

21A. Kind & Status Plug. Bond
Blanket

21B. Drilling Contractor
AFT #1

22. Approx. Date Work will start
ASAP

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|----------|
| 14 3/4" | 10 3/4" | 40.5# J-55 | 360' | 360 sx | circ |
| 6 1/4" | 4 1/2" | 9.5# J-55 | TD | 400 sx | |

Plan to drill and test the San Andres formation. Will set conductor pipe at surface and 360' of 10 3/4" casing. If circulation problems are encountered, will run 8 5/8" to 1200', then will set 4 1/2". Perforate and stimulate as needed for production.

MUD PROGRAM: FW gel to 360', FW to TD.

BOP PROGRAM: BOP's will be installed on surface casing and tested.

Cement on the 4 1/2" casing must be brought from the top of the salt or anhydrite to the surface casing by either circulating with cement or a DV tool at the top of the salt.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 3/14/84
UNLESS DRILLING UNDERWAY

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.

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

Signed Gheron Rodriguez Title Regulatory Agent Date 2/3/84

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON

APPROVED BY DISTRICT I SUPERVISOR TITLE _____ DATE FEB 14 1984

CONDITIONS OF APPROVAL, IF ANY:

W. J. ...
...

201

...

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FEB 13 1984

O.C.D.
HOBSB OFFICE

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

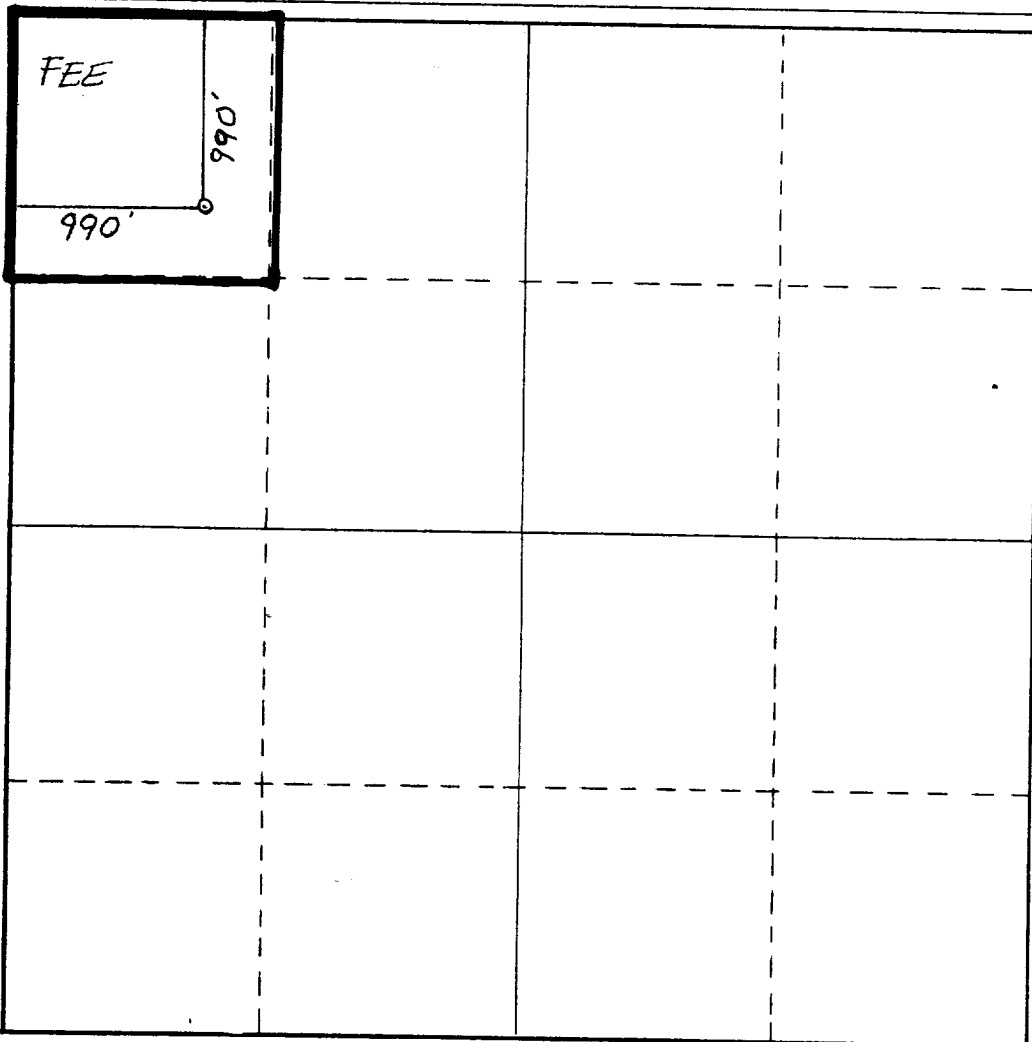
| | | | | |
|--|----------------------------------|-------------------------------------|---------------------------------------|-------------------------|
| Operator YATES PETROLEUM CORPORATION | | Lease Lightcap YR Federal | | Well No. 2 |
| Unit Letter D | Section 31 | Township 7 South | Range 30 East | County Chaves |
| Actual Footage Location of Well: 990 feet from the North line and 990 feet from the West line | | | | |
| Ground Level Elev. 4191 | Producing Formation SA | Pool WILDCAT SA | Dedicated Acreage: 40 Acres | |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Gliserio Rodriguez
Name
Gliserio Rodriguez

Position
Regulatory Agent

Company
Yates Petroleum Corp.

Date
2/3/84

DAN R. REDDY
NEW MEXICO
5412
REGISTERED PROFESSIONAL ENGINEER
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 knowledge and belief.

Date Surveyed
February 1, 1984

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
NM PE&LS #5412

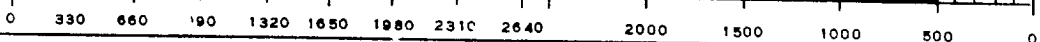
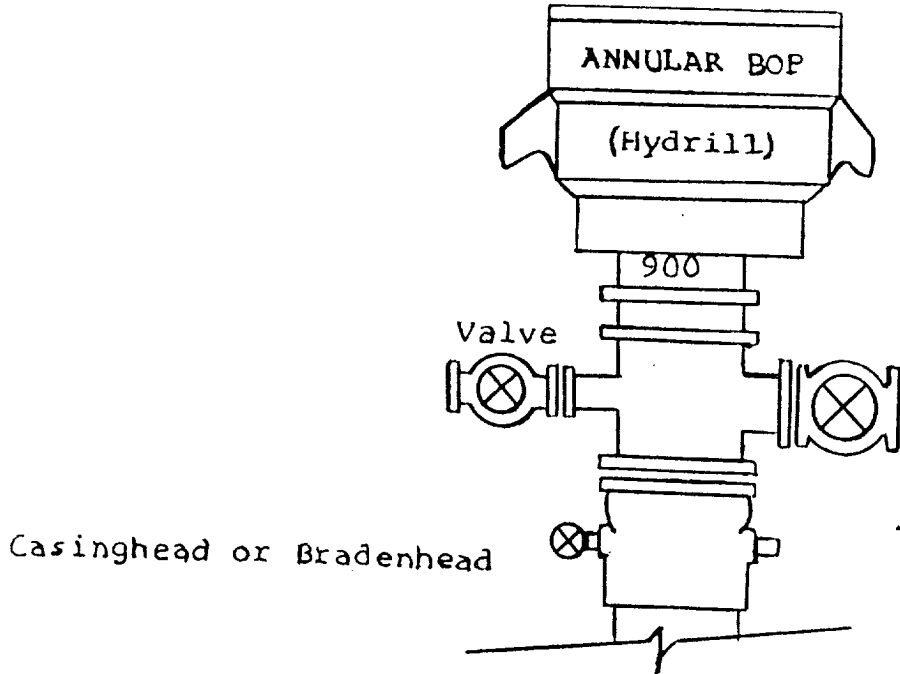


EXHIBIT B
BOP DIAGRAM
RATED 3000#



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FEB 07 1984
O. C. D.
ARTESIA, OFFICE

RECEIVED

FEB 13 1984

O.C.D.
HOBBS OFFICE

ELF

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