

**N.M. OIL CONS. COMMISSION**  
**P.O. BOX 1980**  
**HOBBS, NEW MEXICO 88240**  
**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**SUBMIT IN **PLICATE\***  
(Other instructions on  
reverse side)FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-77065
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"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Yates Petroleum Corporation		7. UNIT AGREEMENT NAME
3. ADDRESS AND TELEPHONE NO. 105 South Fourth Street, Artesia, New Mexico 88210		8. FARM OR LEASE NAME, WELL NO. #1 Cotton Place "ANG" Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 990' FNL & 990' FEL At proposed prod. zone Same		9. API WELL NO. 30-025-32199
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 41.5 miles Northwest of Jal, New Mexico		10. FIELD AND POOL, OR WILDCAT Double X Delaware
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'	16. NO. OF ACRES IN LEASE 1480	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 10-T24S-R32E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2500'	19. PROPOSED DEPTH 9200'	12. COUNTY OR PARISH Lea
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3637' GR <b>Carlsbad Controlled Water Basin</b>		13. STATE NM
22. APPROX. DATE WORK WILL START* ASAP		

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5# J-55	1200'	950sx Circulate
11"	8 5/8"	32# J-55 + HC80	4750'	1900 sx Tie Back
7 7/8"	5 1/2"	17# J-55, 15.50# J-55	TD	1135 sx Tie Back

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated. Approximately 4750' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW/GEL to 1200'; Brine to 4750'; cut Brine to TD.

BOPE PROGRAM: BOPE will be installed on the 13 3/8" casing and tested daily for operational.

Approval Subject to  
General Requirements and  
Special Stipulations  
Attached

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Clifton R. May TITLE Permit Agent DATE 7/16/93  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval does not warrant or certify that 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:

APPROVED BY Ron Dunton TITLE AREA MANAGER DATE AUG 18 1993

\*See Instructions On Reverse Side