SUBMIT IN PLICATE*

(Other instructions on

Form approved. Budget Bureau No. 42-R1425.

o. 42-R1425.

UNITED STATES DEPARTMENT OF THE INTERIOR

5. LEASE DESIGNATION AND SERIAL NO. NM OIL CONS. COMMISSION **GEOLOGICAL SURVEY** NM-18209 G. IF INDIAN, ALLOTTEE OR TRIBE NAME Drawer. DEEPEN OR APPLICATION FOR PERMIT TO DRILL, 7. UNIT AGREEMENT NAME DEEPEN [] PLUG BACK DRILL X h TYPE OF WELL MULTIPLE SINGLE 8. FARM OR LEASE NAME WELL D WELL X OTHER Mildred "XD" Fed 9. WELL NO. Yates Petroleum Corporation 3. ADDRESS OF OFERATOR RECEIVED 10. FIELD AND POOL, OR WILDCAT 207 S. 4th Street, Artesia, New Mexico.
4. LOCATION OF WELL (Report location plearly and in accordance with At surface. ica... 88210 with any State requirements.*) Pecos Slope Abo APR 1 8 1983 330'FNL & 330 At proposed prod. zone Sec. 33, T7S, R23E 12. COUNTY OF PARISH | 13. STATE Same.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR Chaues Approx. 22 NW of Roswell, NM
15 DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
660 17. NO. OF ACRES ASSIGNED TO THIS WELL 16. NO. OF ACRES IN LEASE 1920 160 (Also to nearest drig, unit line, if any) DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 1400' Rotary 22. APPROX. DATE WORK WILL START 21. ELEVATIONS (Show whether DF, RT, GR, etc.) ASAP 3835.1 GL 23 PROPOSED CASING AND CEMENTING PROGRAM SETTING DEPTH OUANTITY OF CEMEN SIZE OF ROLE WEIGHT PER FOOT 1100800 Circ 14 3/4 10 3/4 40.5 #J-55 350 7 7/8..... We propose to drill and test the Abo and intermediate formations. Approximately 1100 of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 8 5/8 intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. Temperature survey will be run to determine cement top. If commercial, production casing will be run and cemented with adequate cover, perforate, and stimulate as needed for production. MUD PROGRAM: FW Gel & LCM to 1100' Brine to 3200', Brine & KCL Water to TD BOP PROGRAM: BOP's will be installed at the offset and tested daily. GAS NOT DEDICATED. 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. 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. TITLE Regulatory Agent (This space for Federal or State office use) APPROVED PERMIT NO. APPROVAL DATE APPROVED BY APPROVAL SUBJECT TO CONDITIONS O GENERAL REQUIREMENTS AND OH & 64\$ SPECIAL STIPULATIONS GEOLOGICAL SURVEY

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section

Lease Well No. q erator Mildred "XD" 1 YATES PETROLEUM CORPORATION Federal Township Range County Section Unit Letter 23 East Chaves 7 South 33 Actual Footage Location of Well: 330 East North 330 feet from the Pool Dedicated Acreage: Ground Level Elev. Producing Formation 3835.1' GL 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? If answer is "yes," type of consolidation _ Yes 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. Cy Cowan Regulatory Agent Yates Metroleum Corp. Date 3/24/83 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 1000

660

1320 1650

1980 2310

TATES PETROLEUM CORPORATION
<pre>Mildred XD Fed. #1</pre>
330 FNL & 330 FFL
Sec. 33, T7S,R23F

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

1.	The	geologic	surface	formation	is	Sandy Alluvium
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2. The estimated tops of geologic markers are as follows:

	SA
1050'	Glo
2120'	Full
2720'	_Abo
3 4 50'	TD

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: _750'-1200'

Oil or Gas: <u>2750'</u>

- 4. Proposed Casing Program: See Form 9-331C.
- 5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
- 6. Mud Program: See Form 9-331C.
- 7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
- 8. Testing, Logging and Coring Program:

Samples:	Surf Casing to TD	
DST's:	As Warrented	•
	None	•
Logging:	CNL-FDC TD to CSG w/GR-CNL to Surf, DLL from TD to CSG	•

- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

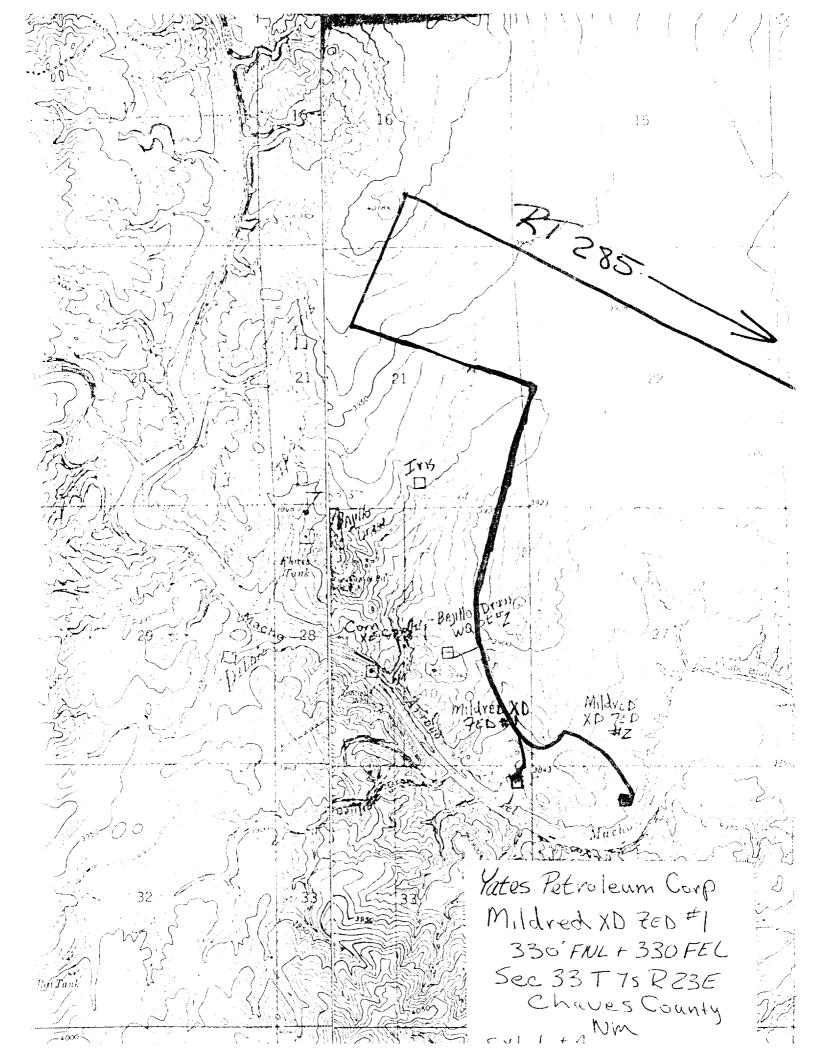
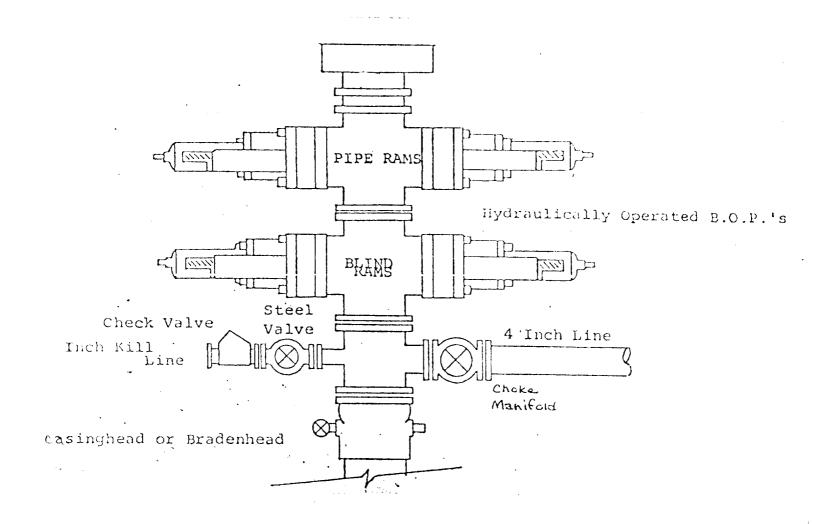


EXHIBIT B BOP DIAGRAM



YATES PETROLEUM CORP. Exhibit C

