

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** ☒ **DEEPEN** ☐ **PLUG BACK** ☐

b. TYPE OF WELL
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR **Yates Petroleum Corporation**

3. ADDRESS OF OPERATOR **105 South Fourth Street, Artesia, NM 88210**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface **990' FSL & 1090' FEL**
At proposed prod. zone **660' FSL & 660' FEL**

5. LEASE DESIGNATION AND SERIAL NO. **NM-39635**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME **Mimosa "AHS" Federal**

9. WELL NO. **3**

10. FIELD AND POOL, OR WILDCAT **N. Dagger Draw Upper Pen**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA **Sec. 4-T20S-R24E**

12. COUNTY OR PARISH **Eddy** 13. STATE **NM**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* **28 miles southwest of Artesia, NM**

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

17. NO. OF ACRES ASSIGNED TO THIS WELL **160**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH **8000'** **TVD**

20. ROTARY OR CABLE TOOLS **Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **3757**

22. APPROX. DATE WORK WILL START* **ASAP**

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	9 5/8"	36# J-55	1200'	1100 sacks <u>circulated</u>
8 3/4"	7"	23# & 26#	TD	As warranted
		N-80 & J-55		

Yates Petroleum Corporation proposes to drill and test the Cisco Canyon and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: FW/Gel to 1200'; FW to 3500'; cut Brine to 7100'; S. Gel/Starch to TD.

BOP PROGRAM: BOP's and hydrill will be installed on 9 5/8" casing and tested daily.

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.

24. SIGNED [Signature] TITLE Landman DATE 1-21-91

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE 3-26-91

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side