

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-82845	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <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		8. FARM OR LEASE NAME, WELL NO. 15902 Polo AOP Federal #4	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 760' FSL and 1780' FWL At proposed prod. zone Same Unit N		9. API WELL NO. 30-015-28743	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 20 miles southwest of Artesia, New Mexico		10. FIELD AND POOL, OR WILDCAT 15472 Dagger Draw, Upper Perm, Nor	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M. OR BLK. AND SURVEY OR AREA Section 10-T19S-R25E	
16. NO. OF ACRES IN LEASE 240		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 8300'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3477' GR Roswell Controlled Water Basin		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
14 3/4"	9 5/8"	36#, J-55	1150	1100 sacks circulate
8 3/4"	7"	26# J-55	TD	1300 sacks

Yates Petroleum Corporation proposes to drill and test the Canyon and intermediate formations. Approximately 1150' 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/lcm to 1150; FW to 4000'; Cut Brine to 7500'; SW gel/Starch to TD.

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

All of Section 10-T19S-R25E has been archeologically cleared so none will be needed.

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.

SIGNED Ken Bandy TITLE Landman DATE SEP 18 1995
(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 _____ TITLE _____ DATE SEP 18 1995

*See Instructions On Reverse Side