

OIL CONSERVATION DIVISION  
UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
911 S. 1st ST.  
ARTESIA, NM 88210-2834  
(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 DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-023855-B	
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 18663	
3. ADDRESS AND TELEPHONE NO. 105 South Fourth Street, Artesia, NM 88210			8. FARM OR LEASE NAME, WELL NO. Apollo APU Fed. Com. #2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 660' FNL and 990' FEL (Unit A) At proposed prod. zone Same			9. API WELL NO. 30-015-29048	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 21 miles southwest of Artesia, New Mexico			10. FIELD AND POOL, OR WILDCAT Dagger Draw, Upper Penn, North	
16. NO. OF ACRES IN LEASE 200		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. 660'		20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3452 GR			22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14.75"	9.625"	36#, J-55	1150	1100 sx circulated
8.75"	7"	23# & 26#	TD	circulated
		J-55 & N-80		

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 5200'; Cut Brine/KCL to 7200'; Cut brine/KCL/Starch to TD.

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

ALL OF SECTION 15-T19S-R25E HAS BEEN ARCHEOLOGICALLY CLEARED SO NONE WILL BE NEEDED WITH THE LAST BLM LAND EXCHANGE.

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 proposed program, if any.

SIGNED Timothy J. Burke TITLE Landman DATE 7-2-96  
(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 /s/ TIMOTHY J. BURKE TITLE AREA MANAGER DATE 7-19-96

\*See Instructions On Reverse Side