

N. M. Oil Com. Division

ARTESIA, NM 88210
SUBMIT IN TRI STATE(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995Form 3160-3
(July 1992)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

25525

3. ADDRESS AND TELEPHONE NO.

(505)

105 South Fourth Street, Artesia, NM 88210 748-1571

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1650' FSL and 660' FWL Unit L

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 16 miles southeast of Loco Hills, NM.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

920

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

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

1650'

19. PROPOSED DEPTH

12,500'

20. ROTARY OR CABLE TOOLS

Rotary

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

3496' GR

22. APPROX. DATE WORK WILL START*

Rotary

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	11 3/4"	42#	550'	WITNESS 25 sx Circulate
11"	8 5/8"	32#	3450'	975 sx Circulate
7 7/8"	5 1/2"	17.5# & 17#	TD	400 sx - 9500'

CAPTAN CONTROLLED WATER BASIN

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 550' of surface casing will be set and cement circulated. Approximately 3450' 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: 0-550' FW Spud Mud; Brine to 3450'; Cut Brine to 10,900';
SW Gel/Starch to TD.

BOPE PROGRAM: BOPE will be nipped up on the 8 5/8" casing and tested daily.

Post ID-1
3-6-98
API & Loc

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

Cliff R. MayTITLE Regulatory AgentDATE January 22, 1998

(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:

(ORIG. SGD.) ARMANDO A. LOPEZ

APPROVED BY

TITLE

Acting ADM, MINERALS

DATE

2/19/98

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001 - It is a crime for any person knowingly and willfully to make to any department or agency of the