

UNITED STATES OIL CONS. COMMISSION
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Artesia, NM 88210

5. LEASE DESIGNATION AND SERIAL NO.
NM 01165

6. IF INDIAN, ALLOTTEE OR TRIBE NAME?

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Yates Federal

9. WELL NO.
5

10. FIELD AND POOL, OR WILDCAT
Burton Flat, East

11. SEC., T., R., M., OR BLS.
AND SURVEY OR AREA
Sec 17, T20S, R29E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

22. APPROX. DATE WORK WILL START*
ASAP

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

2. NAME OF OPERATOR
TXO Production Corp. ✓

3. ADDRESS OF OPERATOR
415 W. Wall, Suite 900; Midland, Texas 79701-4468

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
At proposed prod. zone 990' FSL & 1980' FWL

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
12 miles northeast of Carlsbad, 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
320

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
1280'

19. PROPOSED DEPTH
9493'

20. ROTARY OR CABLE TOOLS

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3290 GL, 3306 KB

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
17 1/2"	13 3/8"	48 #	610	650 sx "C"
11"	8 5/8"	24 & 32 #	3100	3400 sx "H" & 300 sx "C"
7 7/8"	4 1/2"	13.5 & 11.6 #	11,770	1250 sx "H"

- Current zone open is Strawn f/10,362'-66', 10,371'-77'
- Will plug back and test Wolfcamp f/9493'-9510'.
- If Wolfcamp proves unproductive, will plug back and test Delaware. (Perforations undecided)

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OCT 1 10 51 AM '89

18. 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: Gray Valle TITLE: Production Engineer DATE: 10-31-89

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Orig. Signed by Adam Seiamoh
APPROVED BY _____ TITLE: PETROLEUM ENGINEER DATE: 11-6-89

*See Instructions On Reverse Side