

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

MAY 17 1991

ARTESIA OFFICE

API NO. (assigned by OCD on New Wells) 30-015-26751	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No. V-1673	
7. Lease Name or Unit Agreement Name Lost Tank "AIS" State	
8. Well No. 6	
9. Pool name or Wildcat Wildcat Delaware	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>					
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"/>					
2. Name of Operator Yates Petroleum Corporation					
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210					
4. Well Location Unit Letter <u>J</u> : 1980 Feet From The <u>South</u> Line and 1980 Feet From The <u>East</u> Line Section <u>36</u> Township <u>21 South</u> Range <u>31 East</u> NMPM <u>Eddy</u> County					
10. Proposed Depth 8500'		11. Formation Delaware		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 3592' GR		14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor Undesignated	
16. Approx. Date Work will start ASAP					
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	54.5#	850'	850	Circulate
12 1/4"	8 5/8"	32.0#	4500'	2500	Circulate
7 7/8"	5 1/2"	17 & 20#	TD	As warranted	As warranted

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 850' of surface casing will be set and cement circulated. Approximately 4500' 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: Native mud to 850'; Brine to 4500'; cut Brine to TD.

BOP PROGRAM: BOP will be installed at the offset and tested daily for operational.

Letter has been sent to N.M. Potash Corporation.

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Clifton R. May TITLE Permit Agent DATE 5-15-91
TYPE OR PRINT NAME Clifton R. May TELEPHONE NO. 748-1471

(This space for State Use) ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT II

APPROVED BY _____ TITLE _____ DATE MAY 22 1991

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.C.O.D. IN SUFFICIENT
TIME TO WITNESS CEMENTING THE
13 3/8-8 5/8-5 1/2 CASING

Cement must be circulated to
surface behind 13 3/8-8 5/8-5 1/2 casing