

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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 ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐  
2. NAME OF OPERATOR  
Yates Petroleum Corporation  
3. ADDRESS OF OPERATOR  
105 South Fourth Street, Artesia, New Mexico 88210 (505)748-1471  
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface  
660' FSL and 200' FEL, Sec. 24-T21S-R31E, Eddy County, NM  
At proposed prod. zone  
660' FSL and 660' FWL, Sec. 19-T21S-R32E, Eddy County, NM  
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
38 miles northeast of Loving  
15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)  
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.  
19. PROPOSED DEPTH  
8500' TVD  
20. ROTARY OR CABLE TOOLS  
Rotary  
21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
3636' GR  
22. APPROX. DATE WORK WILL START\*  
Corrosion Controlled Water Basin

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"	54.5#	850'	Circulate - 850 sacks
12 1/2"	8 5/8"	32.0#	4350' TVD	Circulate - 2800 sacks
7 7/8"	5 1/2"	17 & 20#	TD	Circulate

Yates Petroleum Corporation proposes to directionally drill this well and test the Delaware formations. Will drill vertically to 850' and set 13 3/8" casing and circulate to surface. Continue vertically to our kick off point of 3200'. Directionally drill to a TVD of 4350'. Run Intermediate casing to 4350' and circulate cement. Continue Directionally drilling to TD of 8500' TVD. If determined to be commercial, run production casing to TD and circulate cement, perforate and stimulate as needed for production.

MUD PROGRAM: Native mud to 850'; Brine to 4500' TVD; cut Brine to TD.

BOP PROGRAM: BOPE will be installed on the surface casing and tested daily for operational.

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. 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 Clifton R. May TITLE Permit Agent DATE 3-25-92  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 4-13-92

CONDITIONS OF APPROVAL, IF ANY:  
APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.