

Form 3160-3
(July 1992)

NM OIL CONS. COMMISSION

Drawer DD
Artesia, NM 88210

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

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

3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, New Mexico 88210

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

At surface

1310' FNL & 2266' FEL B

At proposed prod. zone

1980' FSL & 660' FEL I

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

Approximately 25 miles NE of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

280

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.

19. PROPOSED DEPTH
12,600 TVD

20. ROTARY OR CABLE TOOLS

Rotary

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

3327' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

P Potash

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
26"	20"	94# J-55	425'	375 sacks - <u>circulated</u>
17 1/2"	13 3/8"	54.5# J-55	1550'	1125 sacks - <u>circulated</u>
12 1/4"	8 5/8"	32# J-55	3100'	900 sacks - <u>circulated</u>
7 7/8"	5 1/2"	17# S-95 +	TL	2025 sacks <u>tie back to 9800'</u>
N-80				

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 425' of surface casing will be set and cement circulated to shut off gravel and cavings. First string of intermediate casing will be set to 1550' and cement circulated. Second string of intermediate casing will be set to 3100' and cement circulated. If commercial will perforate and stimulate as needed for production.

MUD PROGRAM: FW gel, paper to 425'; Brine to 1550'; FW to 3200'; Cut Brine to 9700'; Brine to 10,600'; XCD Drispak, Starch to TD.

BOP PROGRAM: BOP's and hydril will be installed on the 13 3/8" casing and tested daily.

GAS NOT DEDICATED

Please note attached copy of waiver of objection letter from Eddy Potash Incorporated as Exhibit "E".

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

For Beauden

TITLE

LANDMAN

DATE 9/20/93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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

Robert Lucero

TITLE

Acting State Director

DATE

10-27-93

* PENDING DD APPROVAL

*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 or fraudulent statement or representation as to any matter within its jurisdiction.