

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-89151	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR YATES PETROLEUM CORPORATION 25575		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. 105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471		8. FARM OR LEASE NAME, WELL NO. Spring ART Federal #1 21543	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 710' FSL and 1750' FEL At proposed prod. zone Same		9. API WELL NO. 30-015-29825	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 27 south of Artesia, New Mexico		10. FIELD AND POOL OR WILDCAT Wildcat 3051588 Morrow North 96284	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 710'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 23, T20S-R26E	
16. NO. OF ACRES IN LEASE 320		12. COUNTY OR PARISH Eddy County	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 10,500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3275' GR		22. APPROX. DATE WORK WILL START* ASAP	

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48#	350'	300 sx Circulate
12 1/4"	9 5/8"	36#	2150'	1250 sx Circulate
8 3/4"	7"	26#	TD	As warranted

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and cavings. Approximately 2100' of intermediate casing will be run and cement circulated. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: 0 to 350' FW Gel, Paper; 350' to 2100' FW; 2100' to 7000' Cu Brine; 7000' to TD Salt Gel, Starch, Paper.

BOPE PROGRAM: BOPE will be installed on the 9 5/8" casing and tested daily.

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 [Signature] TITLE Landman DATE August 6, 1997  
(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:

APPROVED BY (ORIG. SGD.) JAMES G. PETTENGILL TITLE Acting ADM, MINERALS DATE 8-22-97

\*See Instructions On Reverse Side