Form 3160-3 (July 1992)

## NM OIL ( NS. COMMISSION DRAWER UD ARTESIA, NM 88210 ARTESIA, NM 188210

SUBMIT IN TRIPLICATE\*
(Other instructions on reverse side)

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

## DEPARTMENT OF THE INTERIOR

5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT NM-0501759 APPLICATION FOR PERMIT TO DRILL OR DEEPEN 6. IF INDIAN, ALLOTTEE OR TRIBE NAME 1a. TYPE OF WORK Re-Entry DRILL [ DEEPEN 🖺 7. UNIT AGREEMENT NAME b. TYPE OF WELL WELL SINGLE ZONE WELL X MULTIPLE OTHER Avaion hills whatou 2. NAME OF OPERATOR Federal Com #1 YATES PETROLEUM CORPORATION 9. API WELL NO. 3. ADDRESS AND TELEPHONE NO. 30**-**015-<del>2107</del> **21075** 105 South Fourth Street, Artesia, New Mexico 88 RECEIVED Undes. Strawn 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* At surger Unit Letter N; 660' FSL and 1980' FWL 11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA At proposed prod. zone SEP 30.'94 Sec. 7-T21S-R27E 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH | 13. STATE O. C. D. 5 miles N.E. Carlsbad, New Mexico 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL Eddy County New Mexico 15. DISTANCE FROM PROPOSED\*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT 388.16 (Also to nearest drlg. unit line, if any) 314 (**S** 1/2) DISTANCE FROM PROPOSED LOCATION\*
 TO NEAREST WELL, DRILLING, COMPLETED,
 OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS 10,400' Workover 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 22. APPROX. DATE WORK WILL START\* 3,184' GR 23. PROPOSED CASING AND CEMENTING PROGRAM SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 3/8" H-40 13 619'-In place 48# 779 sacks - surface 1/4" 12 5/8" K-55 2714'-In place 1710 sacks - surface 40# 8 1/2" 1/2" 17# N-80S-95 4657' to 11400'-1200 sacks - TOC 8570' δ 7 7/8" 1/2" J-55 15.5# In place Stubin to stub 50 sacks at 4657' THIS WELL WAS ORIGINALLY DRILLED TO A TO OF 11,420' BY MONSANTO COMPANY AS THEIR AVALON HILLS #1. YATES PETROLEUM CORPORATION PLANS TO DRILL OUT THE PLUGSTO THE TOP OF THE 5 1/2" STUB AT 4657' AND PATCH INTO IT. DRILLOUT THE PLUGS AND PACKER CLEANING OUT THE 5 1/2" CASING TO 10,400' USING A 4 3/4" BIT. TEST THE CASING. TEST THE STRAWN FORMATION FROM 9990' TO 10,210'. PERFORATE AND STIMULATE AS NEEDED FOR PRODUCTION. MUD PROGRAM: BRINE TO TD. BOPE PROGRAM: BOPE WILL BE INSTALLED ON THE 9 5/8" CASING. YATES HAS A 10-20-94 DEADLINE TO DO THIS WELL. PLEASE EXPEDITE APPROVAL. 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.

TITLE PERMIT AGENT

DATE 9/8/94

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVAL DATE

APPROVAL, IF ANY

APPROVAL, IF ANY

TITLE

APPROVED BY

APPROVED BY

TITLE

PERMIT AGENT

APPROVAL DATE

APPROVED BY

TITLE

AREA MANAGER

DATE