

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SUBMIT IN DUPLICATE
(Other instructions on reverse side)

30-015-27275 c/sf
Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

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 ☐

2. NAME OF OPERATOR
Yates Petroleum Corporation

3. ADDRESS OF OPERATOR
105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface
Unit I; 1980' FSL and 660' FEL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
24 miles northeast of Loving, New Mexico

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
8300'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3469' GR

22. APPROX. DATE WORK WILL START*
ASAP

5. LEASE DESIGNATION AND SERIAL NO.
NM-80645

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Lily "ALY" Federal

9. WELL NO.
5

10. FIELD AND POOL, OR WILDCAT
Wildcat Delaware

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 3-T24S-R31E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

| PROPOSED CASING AND CEMENTING PROGRAM Secretary's Potash | | | | |
|--|----------------|-----------------|---------------|--------------------------------|
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
| 17 1/2" | 13 3/8" | 54.5# | 500' | Circulate - 500 sacks |
| 11" | 8 5/8" | 32.0# | 4200' | Circulate - 1250 sacks |
| 7 7/8" | 5 1/2" | 17 & 15.5# | TD | Tie Back to 8 5/8" - 900 sacks |

Yates Petroleum Corporation proposes to drill and test the Delaware and Intermediate formations. Approximately 500' of surface casing will be set and cement circulated. Approximately 4200' 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 500'; Brine to 4200'; cut Brine to 6500'; Starch/cut Brine to TD.

BOP PROGRAM: BOP will be installed on the 13 3/8" casing and tested daily for operational.

NOTE: NO POTASH LEASES WITHIN A MILE RADIUS.

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 11-12-92
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE 1-5-93

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

ATTACHED

*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.