

District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

RECEIVED

Operator Name and Address: YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
		API Number 30-015-28270
Property Code 10544	Property Name Squires "ALR"	Well No. 1

OIL CON. DIV.
DIST. 2

FEB - 2 1995

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	7	24S	31E		330'	North	1750'	East	Eddy

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 53818 Delaware Sand Dunes, Delaware, S					Proposed Pool 2				

Work Type Code N	Well Type Code O	Cable/Rotary R	Lease Type Code P	Ground Level Elevation 3471
Multiple No	Proposed Depth 8200'	Formation Delaware	Contractor Undesignated	Spud Date ASAP

21 Proposed Casing and Cement Program Potash R-111-P

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	500'	350	Circulate
11"	8 5/8"	32#	4200'	1200	Circulate
7 7/8"	5 1/2"	15.5# & 17#	8200'	950	4000' tieback
					at least 200' above 8 5/8"

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formation, 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 ran and cemented with adequate cover perforated and stimulated as needed for production.

MUD PROGRAM: FW GEL, LCM to 500'; Brine to 4200'; Cut Brine to TD

BOPE PROGRAM: BOPE will be installed on teh 13 3/8" casing and tested daily for operation

Notify N.M.O.C.C. in sufficient time to witness cementing
 the 13 3/8 & 8 5/8" casing
 Post JD-1

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Clifton R. May*
 Printed name: Clifton R. May
 Title: Permit Agent
 Date: 1-31-95
 Phone: 748-1471

OIL CONSERVATION DIVISION
 Approved by: SUPERVISOR, DISTRICT II
 Title:
 Approval Date: FEB 6 1995
 Expiration Date: 8-6-95
 Conditions of Approval:
 Attached