

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-71774
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME N/A
2. NAME OF OPERATOR Yates Petroleum Corporation		7. UNIT AGREEMENT NAME N/A
3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, New Mexico		8. FARM OR LEASE NAME Feline "ALF" Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface Unit Letter K: 1980' FSL and 1980' FWL At proposed prod. zone same		9. WELL NO. 5
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 25 miles northeast of Loving, New Mexico		10. FIELD AND POOL, OR WILDCAT Undes. Cabin Lake Delawa
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)	16. NO. OF ACRES IN LEASE	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sect. 34-T21S-R30E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 7500'	12. COUNTY OR PARISH Eddy
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3183' GR	17. NO. OF ACRES ASSIGNED TO THIS WELL 40	13. STATE NM
20. ROTARY OR CABLE TOOLS Rotary		22. APPROX. DATE WORK WILL START* ASAP

PROPOSED CASING AND CEMENTING PROGRAM Secretary's Potash/R-111-P Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5# J-55	250'	Circulate - 250 sacks
11"	8 5/8"	32.0# J-55	3550'	Circulate - 1400 sacks
7 7/8"	5 1/2"	17 & 15.5# J-55	TD	Adequate cover Tie Back

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 250' of surface casing will be set and cement circulated. Approximately 3550' 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 250'; Brine to 3550'; cut Brine to TD.

BOPE PROGRAM: BOPE will be installed at the offset and tested daily to assure good mechanical working order.

Part ID-1  
12-11-92

Exhibit 2-12-96 - 30-015-27234 Mumble + API

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 8-11-92  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE 12-1-93  
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

\*See Instructions On Reverse Side

ATTACHED 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.