

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBM: 1 TRIPLICATE*
(Other instructions on
reverse side)

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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-57274
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input 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			7. UNIT AGREEMENT NAME -
3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, New Mexico 88210			8. FARM OR LEASE NAME Haracz "AMO" Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FSL and 660' FWL, Unit Letter M At proposed prod. zone Same			9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 29 miles southeast of Loving, New Mexico			10. FIELD AND POOL, OR WILDCAT Cotton Draw Brushy Canyon
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 24-T24S-R31E
16. NO. OF ACRES IN LEASE 1743.52			12. COUNTY OR PARISH Eddy
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3554' GR			22. APPROX. DATE WORK WILL START* ASAP

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.50#	700'	800 sacks - Circulate
11"	8 5/8"	32#	4400'	1350 sacks - Circulate
7 7/8"	5 1/2"	15.5# & 17#	8600'	950 sacks - Tie back to 8 5/8"

CSG

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 700' of surface casing will be set and cement circulated. Approximately 4400' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover to tie-back to the 8 5/8" casing, perforate, and stimulate as needed for production.

MUD PROGRAM: FW to 700', Brine to 4415', cut Brine to TD

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

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 2/24/93
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
(ORIG. SGD.) RICHARD L. MANUS TITLE AREA MANAGER DATE 4/13/93

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

ATTACHED

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.