

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

AUG - 4 1993 ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒

GAS WELL ☐

OTHER ☐ I. D.

SINGLE ZONE ☐

MULTIPLE ZONE ☐

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

660' FSL and 660' FEL, Unit P

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

22 miles east 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

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

8450'

20. ROTARY OR CABLE TOOLS

Rotary

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

3397' GR

Controlled Water Basin

22. APPROX. DATE WORK WILL START\*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

R 111-P Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.50# J-55	650'	500 sacks
11"	8 5/8"	32# J-55	4275'	1200 sacks
7 7/8"	5 1/2"	15.5# & 17# J-55	TD	840 sacks

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 650' of surface casing will be set and cement circulated. Approximately 4275' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented to tie back in the 8 5/8" casing, perforated and stimulated as needed for production.

MUD PROGRAM: FWGEL to 650', Brine to 4275', Cut Brine to TD

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

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

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 4/19/93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*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.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-88

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 N. Bruce Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>GLOW WORM "ALX" FEDERAL</b>		Well No. <b>#4</b>
Unit Letter <b>P</b>	Section <b>3</b>	Township <b>23 SOUTH</b>	Range <b>31 EAST</b>	County <b>EDDY</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>SOUTH</b> line and <b>660</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>3397'</b>	Producing Formation <b>DELAWARE</b>		Pool <b>UNDESIGNATED DELAWARE</b>		Dedicated Acreage: <b>40 Acres</b>
<p>1. Outline the acreage dedicated to the subject well by colored pencil or ink on the plat below.</p> <p>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, forced-pooling, etc.?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and trust descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.</p>					

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Clifton R. May*

Printed Name  
Clifton R. May

Position  
Permit Agent

Company  
Yates Petroleum Corporation

Date  
4/19/93

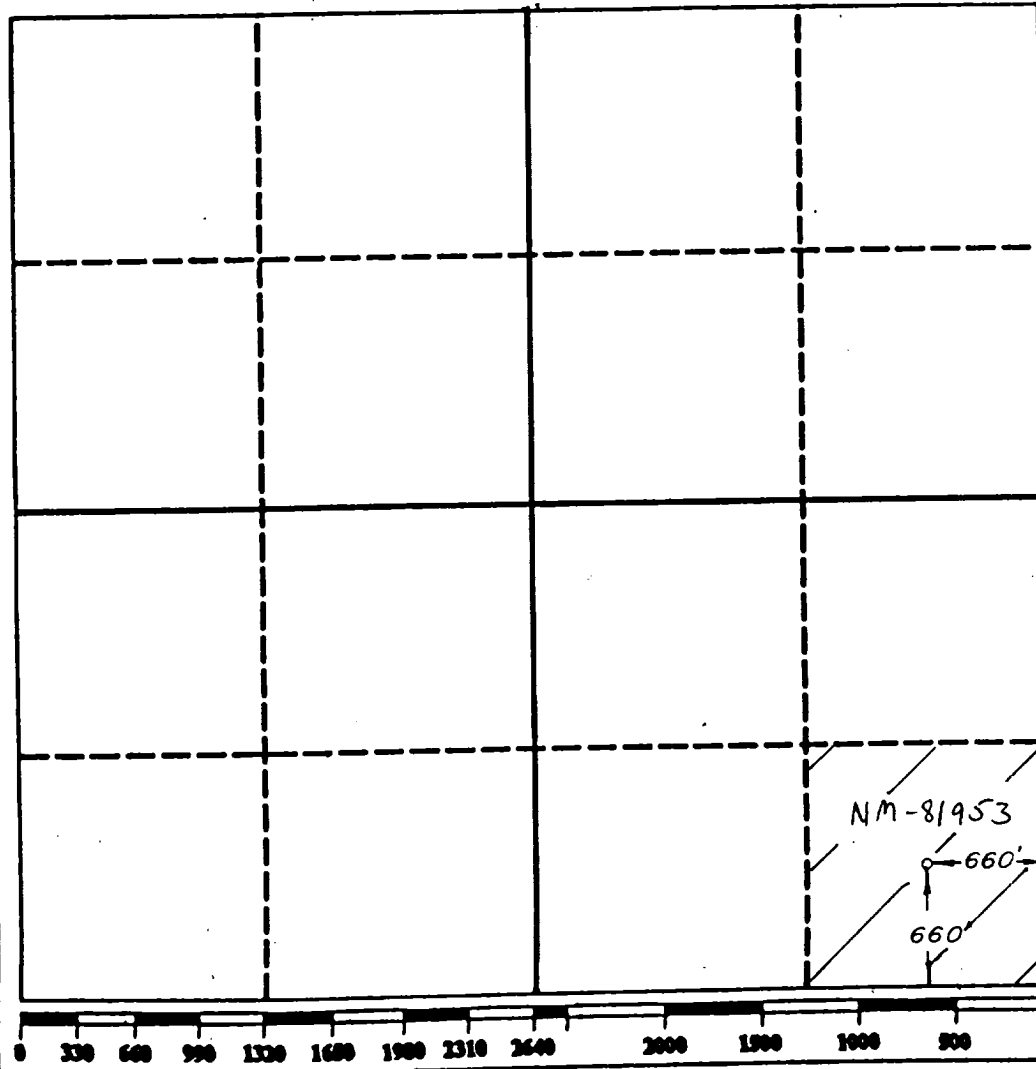
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of  
Professional Surveyor

Certificate No.  
**4882**





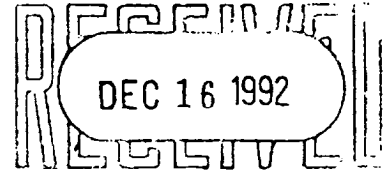
FERTILIZER, INC.

AN EQUAL OPPORTUNITY EMPLOYER

1000 North 1st Street, Suite 100  
Albuquerque, NM 87102

December 8, 1992

Mr. Clifton R. May  
Yates Petroleum Corporation  
105 South Fourth St.  
Artesia, NM 88210



RE: Glow Worm "ALX" Federal #4  
660'FSL and 660'FEL  
Section 3, T23S-R31E  
Eddy County, New Mexico

IMC Fertilizer, Inc. has received your notification that Yates Petroleum intends to drill Glow Worm "ALX" Federal #4, 660'FSL and 660'FEL in Section 3, T23S-R31E. Contingent upon Yates eliminating the drilling of Glow Worm "ALX" Federal #1, IMC Fertilizer has no objection to Yates drilling Glow Worm "ALX" Federal #4 because it is outside IMCF's LMR and buffer zone as described in the NMOCC Order No. R-111-P.

The drilling of Glow Worm "ALX" Federal #1, #2, #3, and #4 will block access to the east because of the increased risk of exposure to methane gas migration with this well spacing. The elimination of #1 well will allow access with a minimized risk.

The current LMR and the buffer zone are determined from the best available information. As more information becomes available, the LMR can change and may be modified and adjusted. This is reflected in the yearly update of the LMR. The relationship of any well location relative to the LMR can change. Therefore, please consider the "objection offered" or "no objection offered" to a well location to be valid for one year only. If you are still considering a well location that a potash operator has or has not objected to more than one year prior, notify us again at that time so we can make the decision on information current at that time. Do not consider a "no objection offered" or an "objection offered" decision to be permanent.

IMC Fertilizer, Inc. submits this letter in lieu of the forms requested.

Sincerely,

Dan Morehouse  
Mine Manager

DM:tmh

cc: Dick Manus                      Leslie Cone  
Larry Woodard                      Walt Thayer  
Charlie High                        Tony Herrell

MARTIN YATES, III  
1912 - 1985  
FRANK W. YATES  
1936 - 1986



105 SOUTH FOURTH STREET  
ARTESIA, NEW MEXICO 88210  
TELEPHONE (505) 748-1471

S. P. YATES  
CHAIRMAN OF THE BOARD  
JOHN A. YATES  
PRESIDENT  
PEYTON YATES  
EXECUTIVE VICE PRESIDENT  
RANDY G. PATTERSON  
SECRETARY  
DENNIS G. KINSEY  
TREASURER

March 29, 1993

Mr. Dan Morehouse  
Mine Manager  
IMC Fertilizer, Inc.  
P. O. Box 71  
Carlsbad, New Mexico 88220

Re: Glow Worm "ALX" Federal No. 1  
660' FNL & 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal No. 2  
1980' FNL & 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal No. 3  
1980' FSL & 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal No. 4  
660' FSL and 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Dear Mr. Morehouse:

We are in receipt of your letters, all dated December 8, 1992, concerning the referenced wells.

As you are probably well aware, conditions can change, as each well is drilled and new information is gained, thus, Yates Petroleum cannot commit to drilling any one or all of the referenced wells within a specific time period. Therefore, just as IMC can only commit to offer no objection for one year on the Glow Worm "ALX" Federal Nos. 2, 3, and 4, Yates Petroleum will agree not to proceed with the Glow Worm #1 Application for one year, and will agree to pursue applications for permit to drill the Glow Worm "ALX" Federal Nos. 2, 3, and 4 first whether or not one or more wells are actually drilled. This will allow both IMC and Yates Petroleum further time to evaluate the need for or problems caused by the drilling of the Glow Worm "ALX" Federal No. 1 well.

Should this be satisfactory, please advise immediately.

Very truly yours,

YATES PETROLEUM CORPORATION

Randy G. Patterson  
Land Manager

RGP/mw

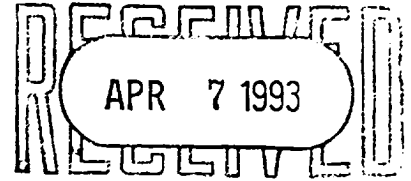


1001 Box 71 • Carlsbad, New Mexico 88502  
Telephone: (505) 837-1471

AN EQUAL OPPORTUNITY EMPLOYER

April 6, 1993

Mr. Randy G. Patterson  
Yates Petroleum Corp.  
105 S. 4th St.  
Artesia, NM 88210



Re: Glow Worm "ALX" Federal No.1  
660' FNL & 660' FEL, SEC. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal No. 2  
1980' FNL & 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal No. 3  
1980' FSL & 660' FEL, Sec. 3, T23S-R31E  
Eddy County, New Mexico

Glow Worm "ALX" Federal NO. 4  
660' FSL and 660' FEL, SEC. 3, T23S-R31E  
Eddy County, New Mexico

Dear Mr. Patterson:

We are in receipt of your letter dated March 29, 1993, concerning the referenced wells.

IMC is pleased that Yates is agreeable to pursuing the Glow Worm "ALX" Federal Nos. 2, 3 and 4 initially, and will re-evaluate the need for the Glow Worm "ALX" Federal No. 1 well at a later date. We will re-evaluate the possible problems caused by the Glow Worm # 1 Well if and when Yates again requests for that location.

I appreciate your willingness to work with us on this matter, and hope we can continue to cooperate on future issues.

Sincerely,

*Dan Morehouse*  
Dan Morehouse  
Mine Manager

DM:cl

**YATES PETROLEUM CORPORATION  
GLOW WORM "ALX" FEDERAL #4  
660' FSL and 660' FEL  
Section 3-T23S-R31E  
Eddy County, New Mexico**

The estimated tops of geologic markers are as follows:

Rustler	632
Top of Salt	1051
Base of Salt	4171
Bell Canyon	4416
Cherry Canyon	5449
Brushy Canyon	7140
Bone Spring	8306
TD	8450

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 150'  
Oil or Gas: 7140' and 8306'

3. Pressure Control Equipment: BOPE will be installed on the 13 3/8" casing and rated for 3M BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment, and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Thread</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
17 1/2"	13 3/8"	54.50#	J55	8R	ST&C	0-650'	650'
11"	8 5/8"	32#	J55	8R	ST&C	0-4275'	4275'
7 7/8"	5 1/2"	17#	J55	8R	LT&C	0-1000'	1000'
7 7/8"	5 1/2"	15.50#	J55	8R	LT&C	1000-7450'	6450'
7 7/8"	5 1/2"	17#	J55	8R	LT&C	7450-8450'	1000'

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.80

**B. CEMENTING PROGRAM:**

Surface casing: 300 sx. Pacesetter Lite "C" w/ 1/4# Cellocel, 3% CaCl<sub>2</sub> wt. 12.7 ppg. Yield 1.84 ft<sup>3</sup> + 200 sx. "C" w/ 2% CaCl<sub>2</sub>. Wt. 14-8 ppg. Yield 1.32 ft<sup>3</sup> Cmt. calculated to circulate.

Intermediate Casing: 1200 sx. Pacesetter Lite "C" 1/4 # Cellocel + 2% CaCl<sub>2</sub> wt. 12.7 ppg. Yield 1.84 ft<sup>3</sup> + 250 sx. "C" w/2% CaCl<sub>2</sub>. Cmt. calculated to circulate to surface.

Production Casing: 140 sx. "H" 8# CSE, 5# Gilsonite, 0.6% CF-14 wt. 13.6 ppg. Yield 1.75 ft<sup>3</sup> + 80 sx. "H" w/10% Thixadd, 10% Salt, 8# Hi Seal. Wt. 15.5 ppg. Yield 1.38 ft<sup>3</sup> DV Tool at 7500'. Cmt. calculated to 7500'

2nd Stage: 500 sx. Pacesetter Lite "C" w/5 # Gilsonite, 5# Salt + 0.4% CF-14. Weight 12.5 ppg. Yield 2.04 ft<sup>3</sup> + 200 sx "H" w/8# sack CSE. wt. 13.6 ppg. Yield 1.75 ft<sup>3</sup>. Cmt. calculated to tie back to 8 5/8 casing.

**5. Mud Program and Auxiliary Equipment:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-650	fwgel	8.6 8.8	32-34	N/C
650-4275	Brine	10-0	28	N/C
4275-8450	Cut Brine/Starch	8.9 9.3	28-30	<15cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

**6. EVALUATION PROGRAM:**

Samples: Every 10' from surface casing to TD

Logging: CNL-LDT from TD to casing with GR-CNL up to surface; DLL with w/Rxo from TD to casing.

Coring: None anticipated

DST's: Any tests will be based on the recommendations of the well site geologist as warranted by drilling breaks and shows.

**Glow Worm ALX Federal #4**  
**Page 3**

**7. Abnormal Conditions, Bottom hole pressure and potential hazards:**

**Anticipated BHP:**

From: 0	TO: 650	Anticipated Max. BHP: 250	PSI
From: 650	TO: 4275	Anticipated Max. BHP: 1550	PSI
From: 4275	TO: 8450	Anticipated Max. BHP: 3300	PSI

**Abnormal Pressures Anticipated: None**

**Lost Circulation zones anticipated: None**

**H2S Zones Anticipated: None**

**Maximum Bottom Hole Temperature: 145 F**

**8. ANTICIPATED STARTING DATE:**

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 15 days to drill the well with completion taking another 15 days.



## YATES PETROLEUM CORPORATION

### H2S Drilling Operations Plan

Personnel employed at the rig site shall receive training in H2S detection, safe drilling procedures and contingency plans. H2S safety equipment shall be installed and functional 3 days or 500 feet prior to encountering known or probable H2S zone at 4100 feet.

Submitted with the APD is a well site diagram showing :

- 1) Drilling rig orientation, location of flare pit.
- 2) Prevailing wind direction.
- 3) Location of access road.

Primary briefing area will be established 150' from wellbore and up wind of prevailing wind direction. Secondary briefing area will be established 180 degrees from primary briefing area.

A H2S warning sign will be posted at the entrance of the location. Depending on conditions, a green, yellow, or red flag will be displayed.

Green - Normal conditions

Yellow - Potential danger

Red - Danger H2S present.

Wind indicators will be placed on location at strategic, highly visible areas. H2S monitors ( a minimum of three) will be positioned on location for best coverage and response. H2S concentrations of 10 ppm will trigger a flashing light and 20 ppm will trigger an audible siren.

H2S breathing equipment will consist of:

- 1) 30 minute "pressure demand" type working unit for each member of rig crew on location.
- 2) 5 minute escape packs for each crew member.
- 3) Trailer with a "cascade air system" to facilitate working in a H2S environment for time periods greater than 30 minutes.

Breathing equipment will be stored in weather proof cases or facilities. They will be inspected and maintained weekly.

The mud system will be designed to minimize or eliminate the escape of H2S at the rig floor. This will be accomplished through the use of proper mud weight, proper ph control of the drilling fluid and the use of H2S scavengers in the drilling fluid. A mud gas separator will be utilized when H2S gas is present in the mud.

Drilling experience has shown that wells in developmental areas, (i.e. Dagger Draw, Livingston Ridge Delaware, and Lusk Delaware ) are normally pressured and don't experience either H<sub>2</sub>S kicks or loss of returns. Due to these circumstances, we request exceptions to the rule requiring flare line with remote lighter and choke manifold with minimum of one remote choke. This equipment would be provided on exploratory wells or wells with the known potential for H<sub>2</sub>S kicks. Additionally, a SO<sub>2</sub> monitor would be positioned near the flare line, and a rotating head utilized.

The drill string, casing, tubing, wellhead, blowout preventers and associated lines and valves will be suitable for anticipated H<sub>2</sub>S encounters.

Radio and or mobile telephone communication will be available on site. Mobile telephone communication will be available in company vehicles.

Drill stem testing to be performed with a minimum number of essential people on location. They will be those necessary to safely conduct the test. If H<sub>2</sub>S is encountered during a drill stem test, essential personnel will mask up and determine H<sub>2</sub>S concentration. The recovery will then be reversed to flare pit. Pulling of test tools will be conducted in a safe manner.

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**Yates Petroleum Corporation**  
**GLOW WORM "ALX" FEDERAL #4**  
**660' FSL and 660' FEL**  
**Section 3-T23S-R31E**  
**Eddy County, New Mexico**

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

**1. EXISTING ROADS:**

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 22 miles East of Loving, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:** Go east out of Carlsbad to Highway 31. Take Highway 31 to Highway 128 (Jal Highway) approximately 16 miles to Red Road (County Road 802). Turn north and go approximately 7 miles to Mills Ranch Road. Turn left and go approximately 2.2 miles and turn left (south) for approximately .8 of a mile and road will curve east (left). Go approximately .7 of a mile to a dry hole. New access will start here and go east.

**2. PLANNED ACCESS ROAD**

- A. The proposed new access will be approximately 3800' in length from the point of origin to the southeast corner of the drilling pad. The road will go east for approximately 1500'; then south for approximately 2300' to SE corner of pad.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side. One traffic turnout will be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

**3. LOCATION OF EXISTING WELL**

- A. There is no drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

**4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

A gravel pit located in the E1/2 SW1/4 of Section 5-T23S-R31E. The color quad map of Jal shows it to be BLM land.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

**8. ANCILLARY FACILITIES: NONE**

**9. WELLSITE LAYOUT:**

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Federal surface administered by BLM.

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Clifton R. May, Permit Agent  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Phone (505) 748-1471

B. Through Drilling Operations,  
Completions and Production:

Mike Slater, Operations Manager  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Phone (505) 748-1471

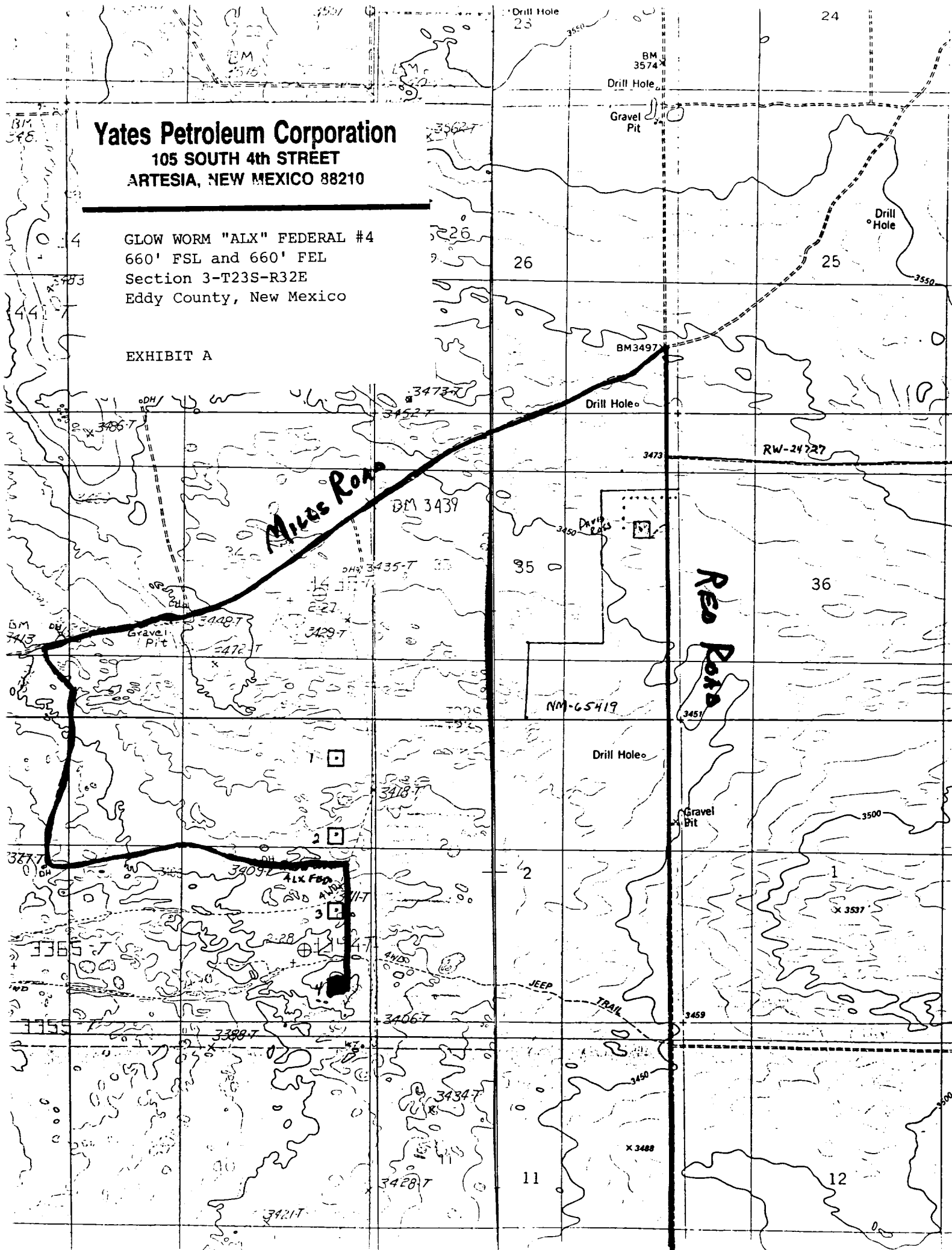
14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

4/16/93

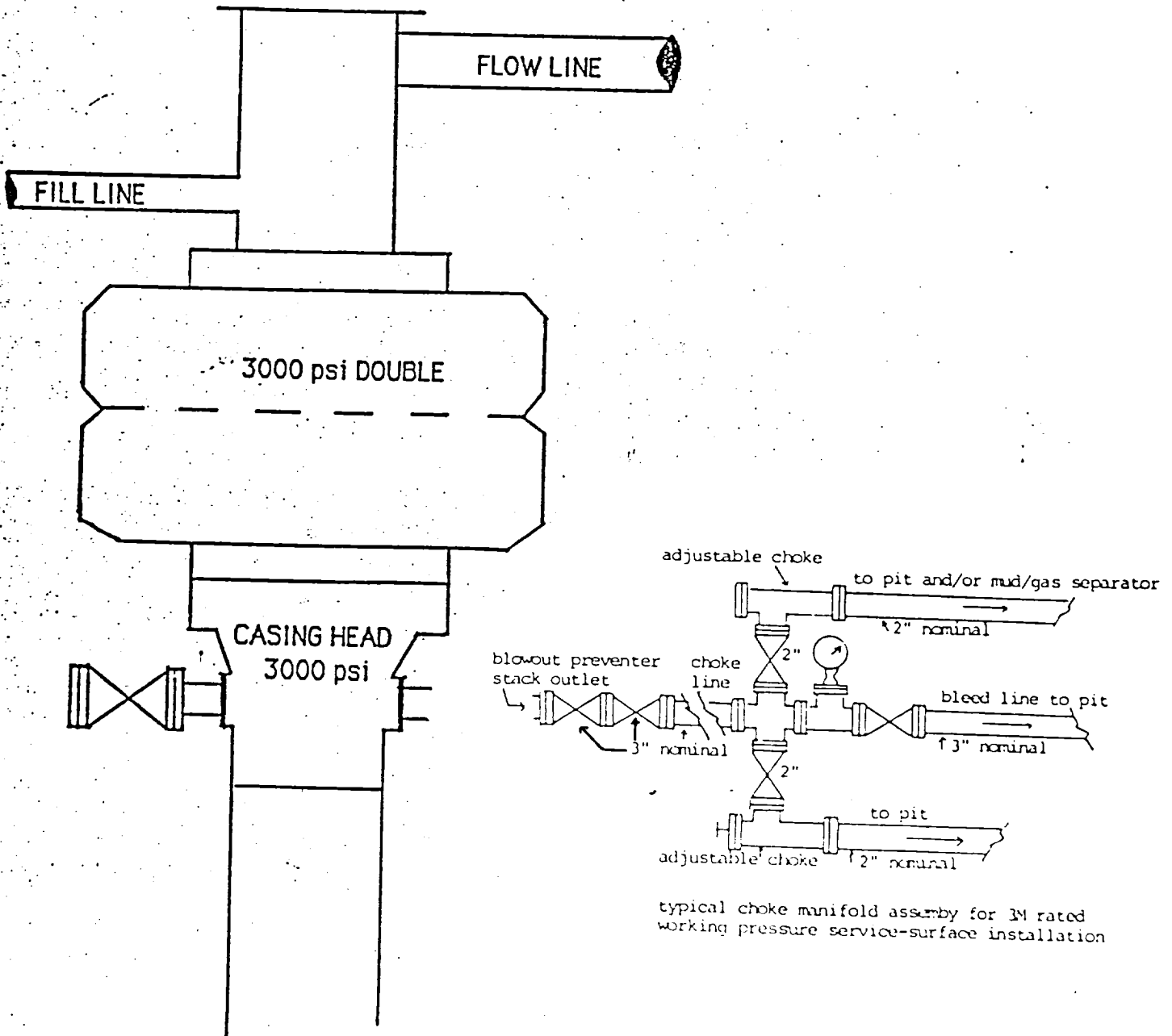
  
Permit Agent

## EXHIBIT A



# YATES PETROLEUM CORPORATION

EXHIBIT B



**BLOWOUT PREVENTER  
3M SYSTEM**

# YATES PETROLEUM CORPORATION

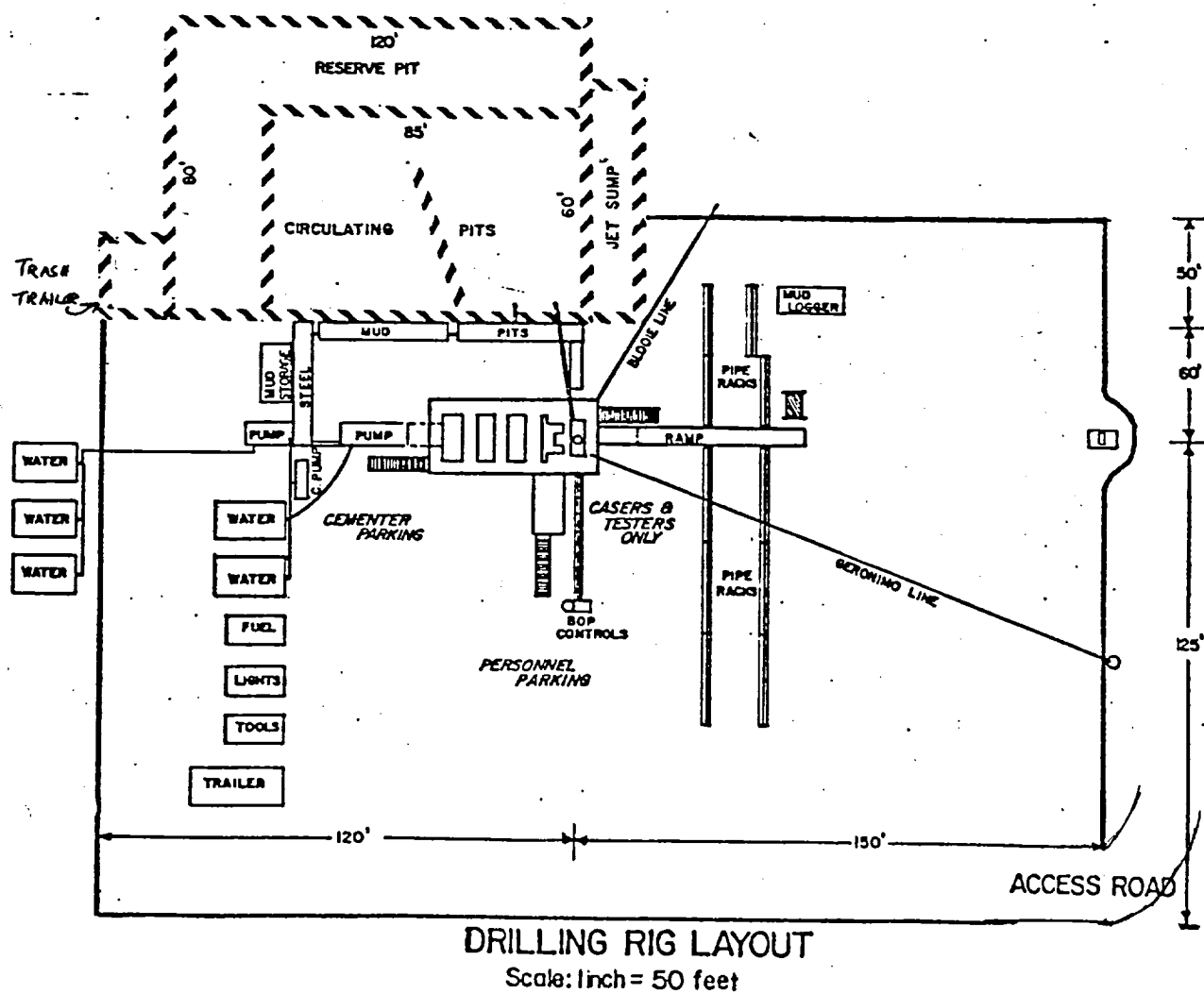
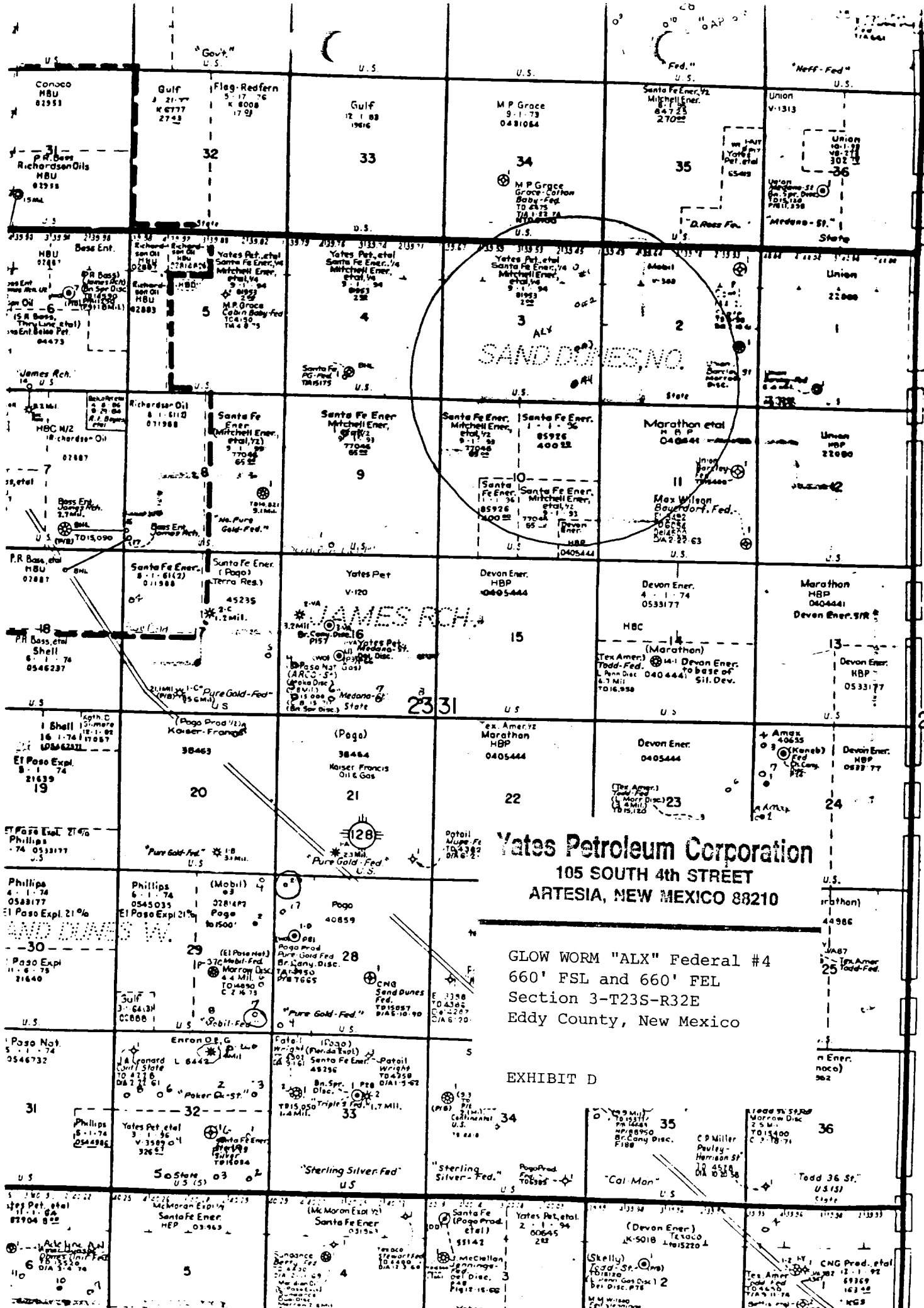


EXHIBIT C





**Yates Petroleum Corporation**  
105 SOUTH 4th STREET  
ARTESIA, NEW MEXICO 88210

GLOW WORM "ALX" Federal #4  
660' FSL and 660' FEL  
Section 3-T23S-R32E  
Eddy County, New Mexico

EXHIBIT D