Form 3160-3 (July 1992)

NM OIL CONS. COMMISSION DRAWER DD UNITED STATES

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

art art	5. LEASE DESIGNATION AND SERIAL NO. NM-39635							
APPL	ICATION FOR F	PERMIT TO DR	ILL OR DEEPEN		6. IF INDIAN, ALLOTT	ER OR TRIBE NAME		
1a. TYPE OF WORK	ILL 🗵	DEEPEN []	RECEIVE	0	7. UNIT AGREEMENT	NAME		
WELL 🖎	VELL OTHER		SINGLE MULT ZONE ZONE	IPLE	8. FARM OR LEASE NAME, W	VELL NO. 17 5/		
2. NAME OF OPERATOR			5575 OCT 1	5.00	Mimosa AHS Fe	deraĺ #6		
YATES PETRO 3. AIXDRESS AND TELEPHONE NO.	LEUM CORPORATIO	\mathcal{N}^{V}			9. API WELL NO.			
	Sanuarti Churunt A	and a No. M.		C. D.	30-015-28			
4. LOCATION OF WELL (F	OUTEN Street, A	rresia, New Me	xico 88210 C. y State requirements.	NY Or	10. FIELD AND POOL,			
At surface	Siegrest Draw Abo							
At proposed prod. zoi					11. SEC., T., B., M., OR BLK. 96215			
Same	ue		Lo	т. 2,	Sec. 6-T20S-R			
14. DISTANCE IN MILES	AND DIRECTION FROM NEA	AREST TOWN OR POST OF	FICE*		12. COUNTY OR PARIS			
	ly 30 miles SW	of Artesia, Ne	w Mexico		Eddy	New Mexico		
15. DISTANCE FROM PROP LOCATION TO NEARES	T	16.	NO. OF ACRES IN LEASE		F ACRES ASSIGNED			
PROPERTY OR LEASE ! {Also to nearest dri	LINE, FT. g. unit line, if any)		2,080.12	TO 1	40			
 DISTANCE FROM PROI TO NEAREST WELL, D 	COSED LOCATION*	19.	PROPOSED DEPTH	20. ROT	ARY OR CABLE TOOLS			
OR APPLIED FOR, ON TH	IS LEASE, FT.		4,300		Rotary			
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)				22. APPROX. DATE W	ORK WILL START		
3;989-GR					ASAP			
3,8 48		PROPOSED CASING A	ND CEMENTING PROGRA	AM				
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEME	NT		
17.5"	13.375''	54.5#	400'	325	sx_circulated			
12.25''	8.625"	24#	1,400'		sx circulated			
7.875").)	15.5 <i>‡</i>	TD	As v	varranted - SE	E STIPS.		
FORMATIONS. TO SHUT OFF PRODUCTION FOR PRODUCT MUD PROGRAM	APPROXIMATELY GRAVEL AND CAV CASING WILL BE ION.	400' OF SURFA INGS. WE WILL RUN AND CEMENT O 400'; FW/W/L	DRILL AND TEST TO CE CASING WILL IN RUN INTERMEDIATED, WILL PERFORMAN SWEEPS TO 1,4 TESTED DAILY.	BE SET : FE CASII ATE AND	AND CEMENT CIRC NG AND IF COMM STIMULATE AS I	CULATED ERCIAL,		
			0.		### 1	• •		
			Part IP-1 10-21-94 New Lac + H	1	•			
			10-21-94	′		: *;		
		1	here I as & A	PT	Ċ.,	41		
ABOVE SPACE DESCRIB	E PROPOSED PROGRAM (F	proposal is to deepen, give d	ata on present productive zone tical depths. Give blowout preve	and proposed	if any.			
SIGNED	minh	TITLE	I.ANDMAN		DATE 8/20	6/94		
(This space for Feder	ral or State office use				APPROVAL SUE			
PERMIT NO.			APPROVAL DATE		· -	JIREMENTS AND		
Application approval does no	ot warrant or certify that the app	plicant holds legal or equitable	title to those rights in the subject	lease which w	ould entitle the applicant to ∞	LATIONS onduct operations thereo		

District I PO Box 1980, Hobbs, NM 8824-11980 District II PO Drawer DD, Artesia, NM #211-0719 District III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico Energy, Minerals & Natural Resources Department

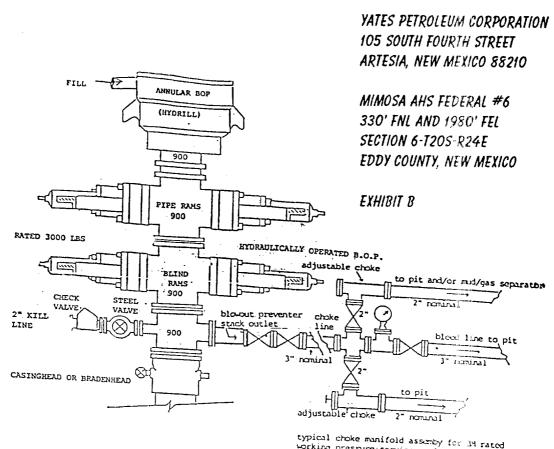
OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102 Revised February 10, 1994 Instructions on back Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

District IV PO Box 2088, Sai	nta Fc, NM	83504 -2088] ame	ENDED REPORT	
		WE	LL LO	CATIO	N AND	ACR	EAGE DEDI	CATION P	LAT			
API Number Pool Code 30-015-28/62 96215						' Pool Name SIEGREST DRAW ABO						
1 Property Code							operty Name				' Well Number	
			AHS I	AHS FEDERAL			•			6		
OGRID No.							erator Name			* Elevation		
		YATES	PETROI	LEUM CO	RPORATI		7 1				3898.	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from		Location North/South fine	Feet from the	East/Wes	, line	County	
2	6	205	24E	Dot 144	330	. WC	NORTH	1980	EAS			
		200		tom Ho		ion I	Different Fre		EAS	1	EDDY	
UL or lot no.	Section	Township	Range	Lot Ida	Feet from		North/South line	Feet from the	East/Wes	t line	County	
12 Dedicated Acr			Consolidatio		Order No.				!			
NO ALLO	WABLE						ON UNTIL ALL EN APPROVED			EN CO	NSOLIDATED	
16				h,	39635		1980	I hereby certification of the superior of the	EYOR The that the income to the income the income to the income the income the income that the income field now my supervision.	formation est of my L 94 CERT ell location to of actual m, and the	TIFICATION contained herein is knowledge and better and better and better are the second and better are the second and the second are the second as the second are the second as the second are the secon	
								AUGUST Date/of Sarv Signaturo and	5412 No subject of Property of Subject of Property of	$) \)$	nuveyer.	

YATES DETROLEUM CORPORATION



working pressure service-surface installation

EXHIBIT B

THE FOLLOWING CONSTITUES THE MINIMUM BLOWOUT PREVENTER REQUIREMENTS FOR 3000 PSI WP SYSTEMS

- All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
- Choke outlet to be a minimum of 3" diameter.
- Kill line to be of all steel construction of 3" minimum diameter.
- All connections from operating manifolds to preventers to be all steel. Hole or tube to be a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
- All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
- Inside blowout preventer to be available on rig floor. 7.
- Operating controls to be located a safe distance from the rig 8.
- 9. Hole must be kept filled on trips below intermediate casing.