N. M. Oil Cons. Divis Site States of		.*-	-			ne Divi			11
BUREAU OF LAND MANAGEMENT 7-//-97 MM NM-92748 APPLICATION FOR PERMIT-SCENALL OR BEEPEN 6. If INDIAN, ALLOTTE OR THIS FAME 1a. TTFO OF WORK DEEPEN 6. If INDIAN, ALLOTTE OR THIS FAME b. TTPE OF WALL OTHER AUG burget of the orgen of the			TED STATE	s Ar	811 Su TESIA, NA	AUBE2100283	PLACATE A Tons on le)	OMB NO. 1004- Expires: February 2	0136 8, 1995
APPLICATION FOR PERMIT SCOPPILL OF DEEPEN I.a. TYPE OF WORK DRILL I DEEPEN OFFICE OF WELL OFFICE OFFICE AUG STREAMENT MAKE VATES PETROLEUM CORPORATION OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE OFFICE		BUREAU OF							
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OWELL OTHER AUG 100 100 100 100 100 100 100 100 100 10	DR		DEEPEN		UUE			7. UNIT AGREEMENT NAME	- <u>-</u>
3. Accounts and The Street, Artesia, New Mexicols 38210 (505) -1471 10. Field AND FOUL FOURTH Street, Artesia, New Mexicols 38210 (505) -1471 10. Field AND FOUL Controls and in accordance with any State reference of the second account of t	OIL X T	VELL OTHER		UG to				Serrano Federa	
14. DIRTACE IN MILES AND DIRECTION FROM NEAREST TOWN OF POST OFFICE* 12. COUNTY OF PARISH 13. STATE Approximately 20 miles southeast of Artesia, New Mexica. Eddy County New Mexico 10. DISTANCE FROM PROPOSED* 16. NO. OF ACRES IN VERSET Eddy County New Mexico 10. DISTANCE FROM PROPOSED* 16. NO. OF ACRES IN VERSET Eddy County New Mexico 10. DISTANCE FROM PROPOSED* 16. NO. OF ACRES IN VERSET 17. The OF ACRES INSTANCE 11. DISTANCE FROM PROPOSED LOCATION* 16. NO. OF ACRES IN VERSET 16. 12. ELEME TOOL FROM PROPOSED LOCATION* 16. 17. The OF ACRES INSTANCE 13. DISTANCE FROM PROPOSED LOCATION* 16. 17. The OF ACRES INSTANCE 14. JATE DRAFT PERFORT TO REAREST TO. 19. PROPOSED DEPTH 20. BOTART OR CABLE TOOLS 13. DISTANCE FROM PROPOSED LOCATION* 19. PROPOSED DEPTH 20. BOTART OR CABLE TOOLS 3434' GR 22. APPROL DATE WORK WILL START* 3434' GR 36# J-55 1150' 1100 SX CI WILL START* 14. 3/4" 9.5/8" 36# J-55 1150' 1100 SX CI WILLST 14. 3/4" 9.5/8" 36# J-55 1100' 1300 SX Circulated 38. 3/4" 7" 23# J-55 TD 1300 SX Circulat	 ADDRESS AND TELEPHONE NO. 105 South Fo LOCATION OF WELL (F At surface 660' FSL and At proposed prod. 200 	ourth Street, Ar Report location clearly and	tesia, New	Mexic th any St	tate regainer	GEIVEL	8-1471	30-015-2 10. FIELD AND FOOL, OR W Dagger Draw Uj Penn, North 11. BBC., T., B., M., OR BLE. AND SURVEY OR AREA	15472
TO NEAREST WELL, DEILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Rotary Rotary 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3434' GR PROPOSED CASING AND CEMENTIN ROSWELL CONTROLLED WATER BASIN 97000000000000000000000000000000000000	14. DISTANCE IN MILES <u>Approximate1</u> 15. DISTANCE FROM PROP LOCATION TO NEARES PROPERTY OR LEASE (Also to nearest dr)	y 20 miles sout USED [®] T LINE, FT. g. unit line, if any)	heast of Ar	tesia 16. NO.	, New M	N LEASE-, N	TO TI	Eddy County I ACRES ASSIGNED HIS WELL 160	
3434' GR ASAP PROPOSED CASING AND CEMENTIN ROSWELL CONTROLLED WATER BASIN SIZE OF HOLE SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTIES OF MALE BASIN SIZE OF HOLE GRADE, SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTIES OF CASING 14 3/4" 9 5/8" 36# J-55 1150' 1100 sx Ci WITNESS 8 3/4" 7" 23# J-55 TD 1300 sx Circulated Yates Petroleum Corporation proposes to drill and test the Canyon and intermediate formation Approximately 1150' of surface 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.	TO NEAREST WELL, DRILLING, COMPLETED, or applied for, on this lease, ft.						20. ROTA	Rotary	
PROPOSED CASING AND CEMENTIN ROSWELL CONTROLLED WATER BASIM SIZE OF HOLE GRADE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH QUANTITY OF CEMENT 14 3/4" 9 5/8" 36# J-55 1150' 1100 sx Ci WINESS 8 3/4" 7" 23# J-55 TD 1300 sx Circulated Yates Petroleum Corporation proposes to drill and test the Canyon and intermediate formatic Approximately 1150' of surface 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. Production.									
SIZE OF HOLECRADE SIZE OF CASINGWEIGHT PER FOOTSETTING DEPTHQUANTITY OF CEMENT14 3/4"9 5/8"36# J-551150'1100 sx Ci1100 sx Ci8 3/4"7"23# J-55TD1300 sx CirculatedVates Petroleum Corporation proposes to drill and test the Canyon and intermediate formatic Approximately 1150' of surface 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.			PROPOSED CASI	NG AND	CEMENTIN	979999m	1 001		
8 3/4" 7" 23# J-55 TD 1300 sx Circulated Yates Petroleum Corporation proposes to drill and test the Canyon and intermediate formatic Approximately 1150' of surface 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.		· [RUSWELL CU			QUANTITY OF CEMENT	
Approximately 1150' of surface 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.			23# J-55			<u></u>			2d
Cut Brine/KCL/Starch.	Approximatel production c as needed fo	y 1150' of surf asing will be r r production. 0-1150' FW Ge	ace casing un and ceme 1/LCM; 1150	will : nted y	be set with add	and cemen equate co	nt cir over,	culated. If comm perforated and st	mercial, cimulated

BOPE PROGRAM: BOPE will be nippled up on the 9 5/8" casing and tested daily for operational.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If propose deepen directionally, give pertinent data on subsurface locations and	al is to deepen, give data on present productive zone and p measured and true vertical depths. Give blowout preventer p	proposed new productive zone. If proposal is to drill or program, if any.
24. SIGNED Len Deardenfel	TITLE Landman	DATE July 9, 1997
(This space for Federal or State office use)	<u></u>	
PERMIT NO.	APPROVAL DATE	
Application approval does not warrant or certify that the applicant	holds legal or equitable title to those rights in the subject lease	which would entitle the applicant to conduct operations thereor
CONDITIONS OF APPROVAL, IF ANY:	ADM, MINERALS	
(ORIG. SGD.) ARMANDO A. LOPEZ		

*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