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MAR 29 1982

O. C. D.

ARTESIA OFFICE

AMENDED LOCATION

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

|                                                                                                                                            |  |                                                                                                      |  |
|--------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------|--|
| 1. Type of Work<br>DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>            |  | 2A. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FCC <input type="checkbox"/> |  |
| 2. Type of Well<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>           |  | 3. State Oil & Gas Lease No.<br>LG-249                                                               |  |
| 3. Name of Operator<br>Yates Petroleum Corporation ✓                                                                                       |  | 4. Unit Agreement Name                                                                               |  |
| 4. Address of Operator<br>207 S. 4th, Artesia, New Mexico 88210                                                                            |  | 5. Form or Lease Name<br>Collins "SW" State                                                          |  |
| 5. Location of Well<br>UNIT LETTER D LOCATED 660 FEET FROM THE North LINE<br>660 FEET FROM THE West LINE OF SEC. 25 TWP. 4S RGE. 24E NE1/4 |  | 6. Well No.<br>1                                                                                     |  |
| 6. Elevation (Show whether LB, RT, etc.)<br>3998.0 GL                                                                                      |  | 7. Field and Pool, or Wildcat<br>Undes. Pecos Slope Abo                                              |  |
| 7. Elevation (Show whether LB, RT, etc.)<br>Blanket                                                                                        |  | 8. County<br>Chaves                                                                                  |  |
| 8. Elevation (Show whether LB, RT, etc.)<br>Blanket                                                                                        |  | 9. Rotary or C.T.<br>Rotary                                                                          |  |
| 9. Elevation (Show whether LB, RT, etc.)<br>Blanket                                                                                        |  | 10. Approx. Date Work will start<br>ASAP                                                             |  |
| 10. Elevation (Show whether LB, RT, etc.)<br>Blanket                                                                                       |  | 11. Drilling Contractor<br>LaRue                                                                     |  |
| 11. Elevation (Show whether LB, RT, etc.)<br>Blanket                                                                                       |  | 12. Approx. Date Work will start<br>ASAP                                                             |  |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP   |
|--------------|----------------|-----------------|---------------|-----------------|------------|
| 14 3/4"      | 10 3/4"        | 40.5# J-55      | 900'          | 600 sx.         | circulated |
| 7 7/8"       | 4 1/2"         | 9.5#            | TD            | 350 sx          |            |

We propose to drill and test the Abo and intermediate formations. Approximately 900' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 8 5/8" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. If commercial, production casing will be run and cemented with adequate cover, perforated, and stimulated as needed for production.

MUD PROGRAM: FW gel and LCM to 900', Brine to 3200', Brine and KCL water to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 9-30-82  
UNLESS DRILLING UNDERWAY

Posted ID-1  
Amended location  
4-2-82

ABOVE SPACE DESCRIBE PROPOSED PROGRAM. IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Cy Cowan Title Regulatory Coordinator Date 3/29/82

(This space for State Use)

APPROVED BY Mike Walker TITLE OIL AND GAS INSPECTOR DATE MAR 30 1982

CONDITIONS OF APPROVAL, IF ANY: