State of New Mexico Submit to Appropriate District Office L. .rgy, Minerals and Natural Resources Departm. State Lease - 6 copies Fee Lease - 5 copies OLL CONSERVATION DIVISION API NO. (assigned by OCD on New Wells) P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-005-62968 Santa Fe, New Mexico 87504-2088 DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 RECEIVED STATE XXX FEE DISTRICT III 8 1993 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 1111 VB-233 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OPPLUG BACK 1a. Type of Work: 7. Lease Name or Unit Agreement Name DRILL KX RE-ENTER DEEPEN PLUG BACK b. Type of Well: MULTIPLE WELL XX WELL | OTHER ZONE ZONE. Carl "ANO" State 2. Name of Operator 8. Well No. Yates Petroleum Corporation v 1 . 3. Address of Operator 9. Pool name or Wildcat 105 South Fourth Street, Artesia, New Mexico South East Acme San Andres 4. Well Location Unit Letter () : 330' Feet From The South Line and 2310' Feet From The East Line Township 8 South Section 27 East Range Chaves **NMPM** County 10. Proposed Depth 11. Formation 12. Rosary or C.T. 2150' San Andres Rotary - air 13. Elevations (Show whether DF, RT, GR, etc.) 14. Kind & Status Plug, Bond .. 15. Drilling Contractor 16. Approx. Date Work will start 3967' GR Blanket Undesignated ASAP 17. PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP 12 1<u>/4''</u> 8 5/8'' 24# 400' 300 sks Circulate 7 7/8'' 15.5#TD 400 sks Circulate Yates Petroleum Corporation proposes to drill and test the San Andres formation. Approximately 400' 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. MUD PROGRAM: Well will be drilled using air. BOPE PROGRAM: BOPE will be installed on the surface casing. 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. 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

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON FRESENT PRODUCTIVE ZONE AND PROPOSED NEW PROPOSE

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 1894 UNLESS DRILLING UNDERWAY

Sub-nit 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 1-1-89

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

OIL CONSERVATION DIVISION

P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section Operator Well No. Yates Petroleum Corporation Carl "ANO" State 1 Unit Letter Section Range County 8 south 27 east Chaves **NMPM** Actual Footage Location of Well: 330' feet from the south 2310' feet from the east line and Ground level Elev. Producing Formation Dedicated Acreage: 3967' GR SAN ANDRES SOUTH EAST ACME SAN ANDRES 40 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below 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). 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, force-pooling, etc.? Yes No If answer is "yes" type of consolidation If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if neccessary. 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. OPERATOR CERTIFICATION I hereby certify that the information contained herein in true and complete to the best of my knowledge and belief. Signature Printed Name Clifton R. May Position Permit Agent Company Yates Petroleum Corporation 7/8/93 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 supervison, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed Signature VB-233 2310 330 660 990 1320 1650 1980 2310 2000 1500 1000 500