Submit to Appropriate District Office

(This space for State Use)

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

ORIGINAL SIGNED BY MIKE WILLIAMS

SUPERVISOR, DISTRICT IF

State of New Mexico Energy, Minerals and Natural Resources Department

Revised 1-1-89

State Lease - 6 copies
Fee Lease - 5 copies

OIL CONSERVATION DIVISION DISTRICT API NO. (assigned by OCD on New Wells) P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-*0*15-62984 Santa Fe, New Mexico 87504-2088 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEF XX STATE DISTRICT III AUG 2 5 1993 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR FUG BACK la. Type of Work: 7. Lease Name or Unit Agreement Name DRILL XX RE-ENTER DEEPEN PLUG BACK b. Type of Well: WELL SINCEE WELL XX ZONE **ZONE** Cleo ANC Com 2. Name of Operator 8. Well No. 7 Yates Petroleum Corporation Address of Operator 105 South Fourth Street, Artesia, New Mexico 9. Pool name or Wildcar 88210 Pecos Slope ABO 4. Well Location 2310 South 990 Unit Letter Feet From The East Line and Feet From The Line 11 6S 25E Section Chaves Township Range **NMPM** County 10. Proposed Depth 11. Formation 12. Rotary or C.T. 4400' Abo Rotary 13. Elevations (Show whether DF, RT, GR, etc.) 3852 GR 14. Kind & Status Plug. Bond Blanket 15. Drilling Contractor . Date Work will start Undesignated 17. PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP 17 1/2 13 3/8" 54.50# 900 800 sacks Circulate 12 1/4 8 5/8" 24.0# 1500' 500 sacks Tie back 9.5# TD 400 sacks * 8 5/8" casing to be set if lost circulation is encountered. If lost circulation is not encountered, the hole will be reduced to 7 7/8" at 1500'. Yates Petroleum Corporation proposes 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 due to lost circulation 8 5/8" intermediate casing will be run to 1500' and cemented with adequate cover calculated to tie back into the surface casing. If commercial, production casing will be run, cemented with adequate cover, perforated and stimulated as needed for production. MUD PROGRAM: Spud mud to 900'; FW Gel/LCM to 1500'; cut Brine to 3500' SW Gel, Starch and Diesel to TD. BOP PROGRAM: BOPE will be installed on the 13 3/8" casing and tested daily. GAS NOT DEDICATED. 8-27.93 NLYAPI. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR FLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY. I hereby certify that the infortrue and complete to the best of my knowledge and belief. Permit Agent SIGNATURE 8/24/93 TITLE CLIFTON R. MAY TYPE OR PRINT NAME TELEPHONE NO. 748-1471

> APPROVAL VALID FOR _ PERMIT EXPINES __ 2-16-99 UNLESS CRICING UNDERWAY

AUG 2 5 1993

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

DISTRICT I

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

660

990

1320

1650

1980 2310

2640

WELL LOCATION AND ACREAGE DEDICATION PLAT 100 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section Well No. YATES PETROLEUM CORPORATION CLEO "ANC" COM. Unit Letter Section Township County 6 SOUTH 25 EAST **CHAVES NMPM** Actual Footage Location of Well: 2310 SOUTH 990 EAST feet from the line and feet from the Ground level Elev. Producing Formation Dedicated Acreage: Abo 3852 ECOS SLOPE 160 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 If answer is "yes" type of consolidation IS TO BE BY COMMUNITIZATION 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. Printed Name Clifton R Mav Position Permit Agent Company Yates Petroleum Corporation Date 8/24/93 SURVEYOR CERTIFICATION I hereby certify that the well location shown 990 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 8/20/9 Signature &

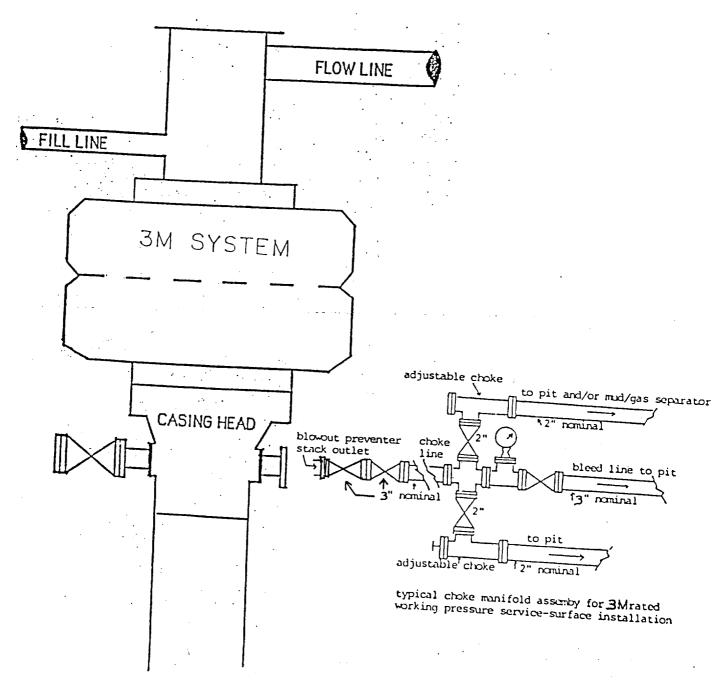
1500

1000

500

2000

YATES PETROLEUM CORPORATION



YATES PETROLEUM CORPORATION

CLEO "ANC" COM #1 2310' FSL & 990' FEL Section 11 T6S-R25E Chaves County, New Mexico