Submit to Appropriate District Office

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

State of New Mexico



180

DAYS

APPROVAL VALID FOR

UNLESS DRILLING UNDERWAY

PERMIT EXPIRES

Energy, Minerals and Natural Resources Department 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 <u>30-005-6298</u> Santa Fe, New Mexico 18104-2088 DISTRICT II 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE X AUG 3 1 1993 DISTRICT III 6. State Oil & Gas Lease No. 1000 Rio Brazos Rd., Aztec, NM 87410 C. I.D. APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK la. Type of Work: 7. Lease Name or Unit Agreement Name DRILL X RE-ENTER DEEPEN | PLUG BACK b. Type of Well: METT [SINCLE MULTIPLE ZONE WELL X ZONE Sacra "SA" Com 2. Name of Operator 8. Well No. YATES PETROLEUM CORPORATION 11 3. Address of Operator 9. Pool name or Wildcat 105 South Fourth Street, Artesia Pecos Slope Abo Well Location Unit Letter : 2310' Feet From The North 2310' Line and Feet From The East Line 6 South Section 25 East Chaves Township **NMPM** County 10. Proposed Depth Formation 12 Rotary or C.T. Rotary 4400' Abo 13. Elevations (Show whether DF, RT, GR, etc.) 14. Kind & Status Plug, Bond 15. Drilling Contractor 16. Approx. Date Work will start ASAP 3716 Blanket Undesignated PROPOSED CASING AND CEMENT PROGRAM SIZE OF HOLE SIZE OF CASING WEIGHT PER FOOT SETTING DEPTH SACKS OF CEMENT EST. TOP 17 1/4" 13 3/8" 54.50# 900' 800 sacks Circulate 1/4" 5/8'' * 8 24# 1500' 500 sacks Tie Back 7/8^{;;} 9.5# $\overline{ ext{TD}}$ 400 sacks * 8 5/8" casing to be set if lost circulation is encountered. If lost circulation is not encountered, the hole size 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 3400' SW Gel, Starch and Diesel to TD. BOP PROGRAM: BOP's will be installed on the 13 3/8" casing and tested daily. AS NOT DEDICATED.

ACHAPI

OVE 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. PERMIT AGENT SIGNATURE 8/30/93 CLIFTON R. MAY TYPE OR PRINT NAME TELEPHONE NO. 748-1471 ORIGINAL SIGNED BY (This space for State Use) MIKE WILLIAMS SEP 1 1993 SUPERVISOR, DISTRICT IT