



N.M. Oil Cons. DIV-Dis. 2
1301 W. Grand Avenue
Artesia, NM 88210

clsf

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-32167
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Not Applicable
2. Name of Operator Yates Petroleum Corporation		7. If Unit or CA Agreement, Name and No. Not Applicable
3A. Address 105 South Fourth Street Artesia, New Mexico 88210		8. Lease Name and Well No. 12770 Spring Federal #5
3b. Phone No. (include area code) (505) 748-1471		9. API Well No. 30-005-63500
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 660' FNL and 660' FWL, Lot 1 At proposed prod. Zone same as above		10. Field and Pool, or Exploratory Wildcat Precambrian
14. Distance in miles and direction from nearest town or post office* Approximately thirty (30) miles northeast of Roswell, New Mexico		11. Sec., T., R., M., or Blk, and Survey or Area Section 6, T6S-R26E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No. of Acres in lease 464.12 420	17. Spacing Unit dedicated to this well 166.83 125 ALL
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 5310'	20. BLM/BIA Bond No. on file NM-2811
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3731' GL	22. Approximate date work will start* ASAP	23. Estimated duration 30 Days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature Clifton R. May	Name (Printed/Typed) Clifton R. May	Date 1/28/02
Title: Regulatory Agent		
Approved by (Signature) (ORIG. SGD.) ARMANDO A. LOPEZ	Name (Printed/Typed) (ORIG. SGD.) ARMANDO A. LOPEZ	Date JUL 24 2002
Title Assistant Field Manager, Acting Lands And Minerals	Office ROSWELL FIELD OFFICE	APPROVED FOR 1 YEAR

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 thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NSP-1858

