

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Div-Dist 2  
1301 W. GARDEN  
ARTESIA, NM 88210

FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM31099
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator YATES PETROLEUM CORPORATION		7. If Unit or CA Agreement, Name and No. 29590
3a. Address 105 S. 4TH ARTESIA, NM 88210		8. Lease Name and Well No. HORN YG FEDERAL COM. 8
3b. Phone No. (include area code) Ph: 505.748.4364 Fx: 505.748.4572		9. API Well No. 30-005-63524
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENE 1980FNL 660FEL At proposed prod. zone Under East Ranch, Pre-Permian, North		10. Field and Pool, or Exploratory WILDCAT PRECAMBRIAN
14. Distance in miles and direction from nearest town or post office* 18		11. Sec., T., R., M., or Blk. and Survey or Area Sec 9 T8S R26E Mer NMP
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 5875 MD	12. County or Parish CHAVES
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 5875 MD	13. State NM
21. Elevations (Show whether DF, KB, RT, GL, etc.) 3797 GL	22. Approximate date work will start 11/15/2002	17. Spacing Unit dedicated to this well 320.00
		20. BLM/BIA Bond No. on file
		23. Estimated duration 45

24. Attachments

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

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

25. Signature (Electronic Submission)	Name (Printed/Typed) PATRICIA PEREZ Ph: 505.748.4376	Date 11/14/2002
Title REGULATORY AGENT		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) LARRY D BRAY	Date 12/20/2002
Title ASST FIELD MANAGER		

Application approval does not warrant or certify 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.

Additional Operator Remarks (see next page)

Electronic Submission #16116 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Roswell  
Committed to AFMSS for processing by Linda Askwig on 11/18/2002 (03LA0024AE)