

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
JUL 21 '94

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL       DEEPEN       PLUG BACK

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 YATES PETROLEUM CORPORATION ✓

3. ADDRESS OF OPERATOR  
 105 South Fourth Street, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface: 1980' FSL & ~~660'~~ FW  
 At proposed prod. zone: 1980' met  
 Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approx. 31 miles NW of Carlsbad, New Mexico *wt. K*

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)      660'

16. NO. OF ACRES IN LEASE      720

17. NO. OF ACRES ASSIGNED TO THIS WELL      320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.      10,250'

19. PROPOSED DEPTH      10,250'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4025' GR

22. APPROX. DATE WORK WILL START\*  
 396

23. PROPOSED CASING AND CEMENTING PROGRAM

5. LEASE DESIGNATION AND SERIAL NO.  
 NM-78214

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Anemone ANE Federal

9. WELL NO.  
 1

10. FIELD AND POOL, OR WILDCAT  
 Wildcat Morrow

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 96069  
 Sec. 9-T22S-R24E

12. COUNTY OR PARISH  
 Eddy

13. STATE  
 NM

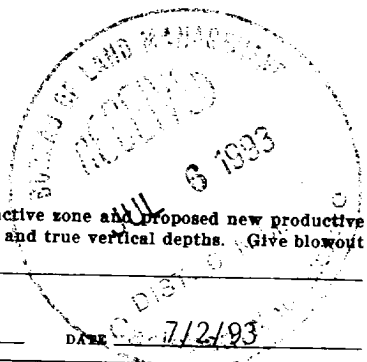
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	350'	400 sx Circulated
12 1/4"	9 5/8"	36#	2450'	800 sx Circulated
8 3/4"	7"	23#	TD	1700 sx As Warranted (at least 600 above Wolfcamp)

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and cavings. We will run intermediate casing and if commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: FW Spud to 350'; FW to 2450'; FW to 2450'; Cut brine to 8900', Salt/GEL/St to TD.

BOP PROGRAM: Bop's will be installed and tested daily.

Per on site V-Door to the Northeast



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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Landman DATE 7/2/93

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
 APPROVED BY [Signature] TITLE AREA MANAGER DATE 7-19-94

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE. SEE INSTRUCTIONS ON REVERSE SIDE. THE APPLICANT TO CONDUCT OPERATIONS THEREON.