STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

30-025-28168

Form C-101
Revised 10-1-78

5A. Indicate Type of Lease: STATE [XX] FEE [ ]

5. State Oil & Gas Lease No.: LG-2942

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work

b. Type of Well: DRILL [XX] AMENDED DEEPEN [ ] PLUG BACK [ ]

OIL WELL [XX] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Unit Agreement Name:

8. Farm or Lease Name: Dean Ranch "XA" Stat

2. Name of Operator: Yates Petroleum Corporation

9. Well No.: 1 Com

3. Address of Operator: 207 S. 4th, Artesia, New Mexico 88210

10. Field and Pool, or Wildcat: Tulk Penn - Undes.

4. Location of Well: UNIT LETTER H LOCATED 1870 FEET FROM THE North LINE AND 750 FEET FROM THE East LINE OF SEC. 28 TWP. 14S RGE. 32E NMPM

12. County: Lea

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
10,150'	Permo-Penn	Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
4315' GL	Blanket	Collier #11	ASAP

23.

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"	48# J-55	450'	400 sx	circulated
12 1/4"	8 5/8"	24# J-55	4200'	1300 sx	400'
7 7/8"	5 1/2"	17# N-80-L 17# K-55-L 17# K-55-S 17# N-80-L	TD		

We propose to drill a 10,150' well and test the Permo-Penn and intermediate formations. Approximately 450' of surface casing will be set and cement circulated and approximately 4200' of intermediate casing will be set and cement circulated back to about 400'. Production casing will be set to TD and cemented back to approximately 9200'.

MUD PROGRAM: FW gel to 450', native mud 4200', water & paper to 7500', starch/drispak/KCL to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

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. 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.

Signed Ghetwa Rodley Title Regulatory Agent Date 3/4/83

(This space for State Use)

APPROVED BY ORIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR TITLE _____ DATE MAR 4 1983

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 9/4/83
UNLESS DRILLING UNDERWAY

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
YATES PETROLEUM CORPORATION	Dean Ranch "XA" State	1

Unit Letter	Section	Township	Range	County
H	28	14 South	33 East	Lea

Actual Footage Location of Well:
1870 feet from the North line and 750 feet from the East line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
4315'	Permo-Penn	Tulk Penn Undes.	160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

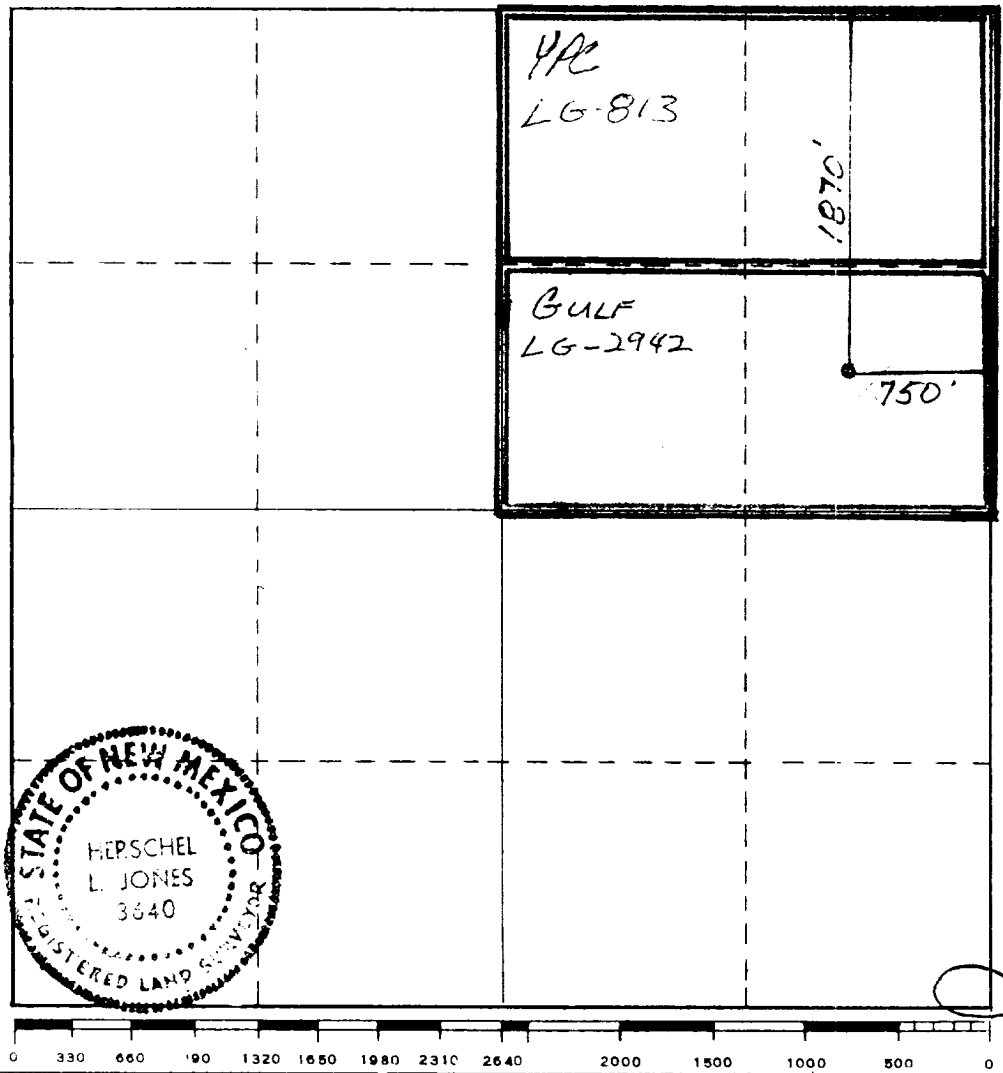
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc?

[X] Yes [ ] No If answer is "yes," type of consolidation Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

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 interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: Gliserio Rodriguez

Position: Regulatory Agent

Company: Yates Petroleum Corp.

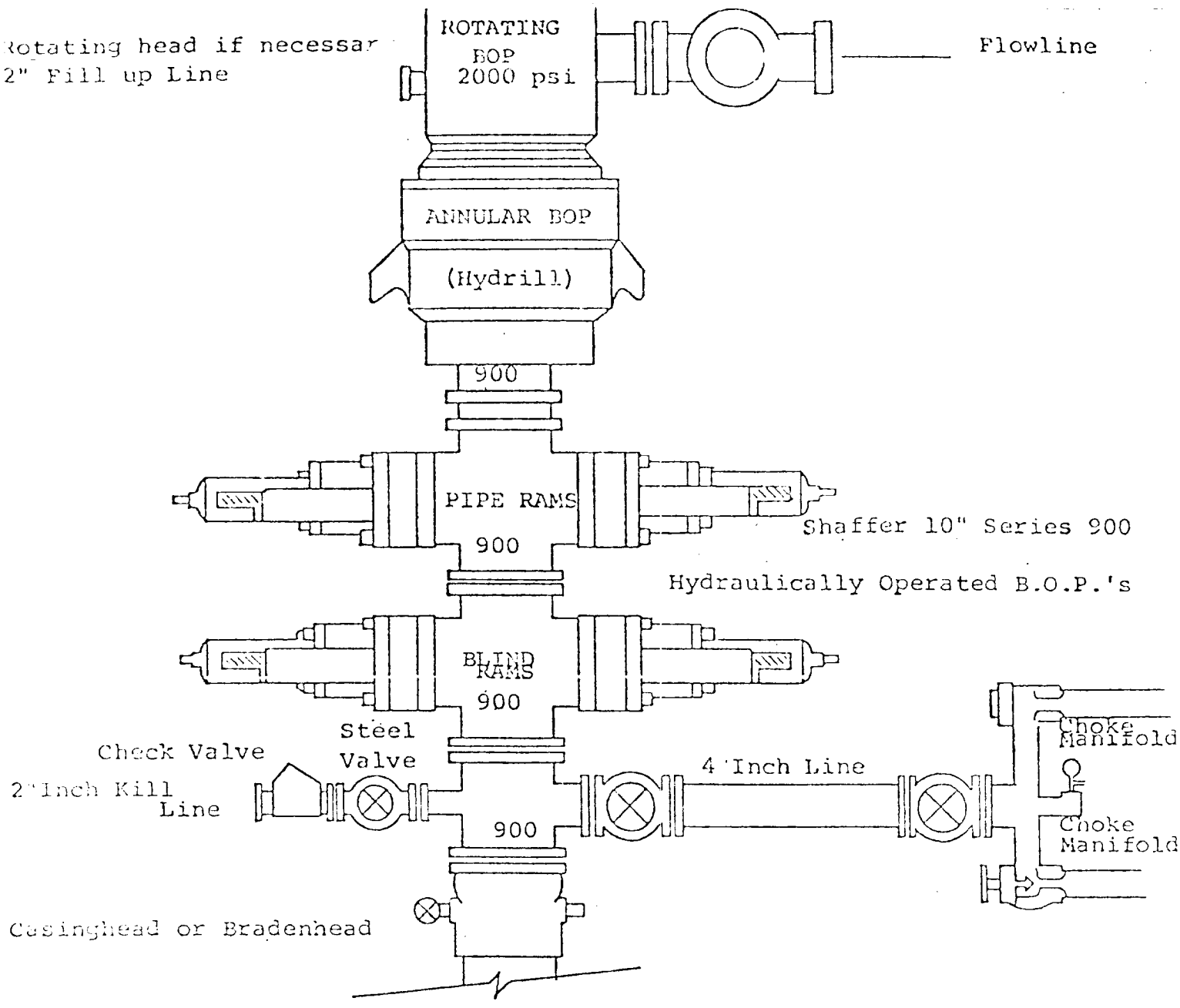
Date: 3/4/83

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: March 3, 1983

Registered Professional Engineer and/or Land Surveyor

Certificate No. 3640



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor
9. Hole must be kept filled on trips below intermediate casing.
10. D. P. float must be installed and used below zone of first gas intrusion.