30-020-29064 STATE OF NEW MEXICO OIL CONSERVATION DIVISION **ENERGY AND MINERALS DEPARTMENT** Form C-101 Revised 10-1-78 80. 07 COPIES ALCEIVES P. O. BOX 2088 SA. Indicate Type of Lease DISTRIBUTION SANTA FE, NEW MEXICO 87501 SANTA FE ATATE X FILE 5. State Oll & Gas Lease No. U.S.G.S. LG-3818 LAND OFFICE OPERATOR APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. Unit Agreement Name DEEPEN ___ PLUG BACK DRILL X 8. Farm or Lease Name b. Type of Well MULTIPLE (WELL XX Pyro "ABK" State 9. Well No. 2. Name of Operator Yates Petroleum Corporation 10. Field and Pool, or Wildcat 3. Address of Operator 207 South Fourth Street - Artesia, NM 88210 4. Location of Well 660 PEET FROM THE North 12. County 9. Proposed Depth 10500' Bough D Rotary levations (Show whether DF, KT, etc.) 21A. Kind & Status Plug. Bond 21B. Drilling Contractor 22. Approx. Date Work will start ASAP 4247.5' GR Blanket Undesignated PROPOSED CASING AND CEMENT PROGRAM WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT EST. TOP SIZE OF CASING SIZE OF HOLE Approx. 466' 400 sacks Circulate 17-1/2" 13-3/8" 48# H-40 12-1/4" 8-5/8" 32# K-55 4195 1200 sacks Circulate 17 & 20# N-80 TD 450 sacks 7-7/8" We propose to drill and test the Bough D and intermediate formations. Approximately 466' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production. MUD PROGRAM: FW gel/LCM from surface to 466', fresh water to 4195', SW gel/starch to TD BOP's will be installed at the offset and tested daily, BOP PROGRAM:

Tule Regulatory Agent

Dose December 23, 1985

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CONDITIONS OF APPROVAL, IF ANYI

(This space for State Use)

CRIGINAL SIGNED BY JERRY SEXTON DISTRICT I SUPERVISOR

Signed_

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

DEC 23 1985