CONDITIONS OF AFTROVAL, IF ANY:

Submit to Appropriate District Office State Lease — 6 copies Fee Lease — 5 copies		State of New Mex Minerals and Natural Res		Form C-101 Revised 1-1-89					
DISTRICT I P.O. BOX 1980, Hobbs, NM DISTRICT II	O. Box 1980, Hobbi, NM 88240 P.O. Box 2088					API NO. (assigned by OCD on New Wells) 30-025-31667			
P.O. Drawer DD, Artesia, NM 88210					5. Indicate Type of Lease  STATE X FEE				
DISTRICT III 1000 Rso Brazos Rd., Aziec, NM 87410					6. State Oil & Gas Lease No. V-3273				
APPLICAT	ION FOR PERMIT T	O DRILL, DEEPEN, O	R PLUG BACK						
DRILL b. Type of Well: OIL OAS WELL XX WELL	RE-ENTER	DEEPEN SINGLE	PLUG BACK MULTIPLE ZONE			Ranch	Unit	£	
2. Name of Operator Yates Petroleum Corporation					8. Well No.				
3. Address of Operator 105 South Fourth Street, Artesia, New Mexico 88210					9. Pool name or Wildcal Write - C. Wildcat San Andres				
Well Location Unit Letter W	0- : 660 Feet Fr	om The South	Line and	165	O Feat	From The	East	Line	
Section	5 Townst	in 16 South Ran	ge 33 East	N	MPM	Lea		County	
					ormation 12. Rotary or C.T. an Andres Rotary				
13. Elevations (Show whether		4. Kind & Status Plug. Bond . Blanket	_ 15. Drilling Cont	ractor		16 Approx. ASA	Date Work wil	l start	
17.		OPOSED CASING AN	D CEMENT PR	OGR	AM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEP	ТН	SACKS OF			. TOP	
14 3/4"	9 5/8"	36#	1500'		750		Circula		
8 3/4"	/"	26# & 23#	TD				As warr	anted	

Yates Petroleum Corporation proposes to drill and test the San Andres Formation. Approximately 1500' of surface casing will be set and cement circulated to surface. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Native mud and paper to 1500'; SW Gel/Starch to TD.

BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing and tested daily for operational.

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, IP ANY. e is true and complete to the best of my knowledge and belief. Permit Agent 7-31-92 SKINATURE Clifton R. May 748-1471 TYPE OR FRINT NAME ORIGINAL SIGNED BY JERRY SEXTON DISTRIGT I SUPERVISOR AUG 0 4 '92 APTROVED BY\_

> Permit Expires 6 Months From Approval Date Unless Drilling Underway.