

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

660' FNL and 2310' FWL

Unit C

At proposed prod. zone

same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

12 mile south of Maljamar, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

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

19. PROPOSED DEPTH

7900'

20. ROTARY OR CABLE TOOLS

Rotary

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

3573.0' GR

22. APPROX. DATE WORK WILL START*

23.

PROPOSED CASING AND CEMENTING PROGRAM

Secretary's Permit

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.50#	1140'	1150 sacks - circulated
12 1/4"	8 5/8"	32#	4430'	2500 sacks - circulated
7 7/8"	5 1/2"	17 & 20#	TD	As warranted

Yates Petroleum Corporation proposes to drill and test the Delaware and Intermediate formations. Approximately 1140' of surface casing will be set and cement circulated. Approximately 4430' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforated, and stimulated as needed for production.

And program: FW to 1140'; Brine to 4900'; cut Brine to TD

BOP program: BOP will be installed at the offset 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. 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

Clifton R. May

TITLE

Permit Agent

DATE

10-11-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

AREA MANAGER

CARLETON RESOURCE AREA

APPROVED BY

TITLE

DATE

10-29-90

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBMIT

GENERAL REQUIREMENTS

SPECIAL STIPULATIONS

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

MEXICO OIL CONSERVATION COMMISS
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.

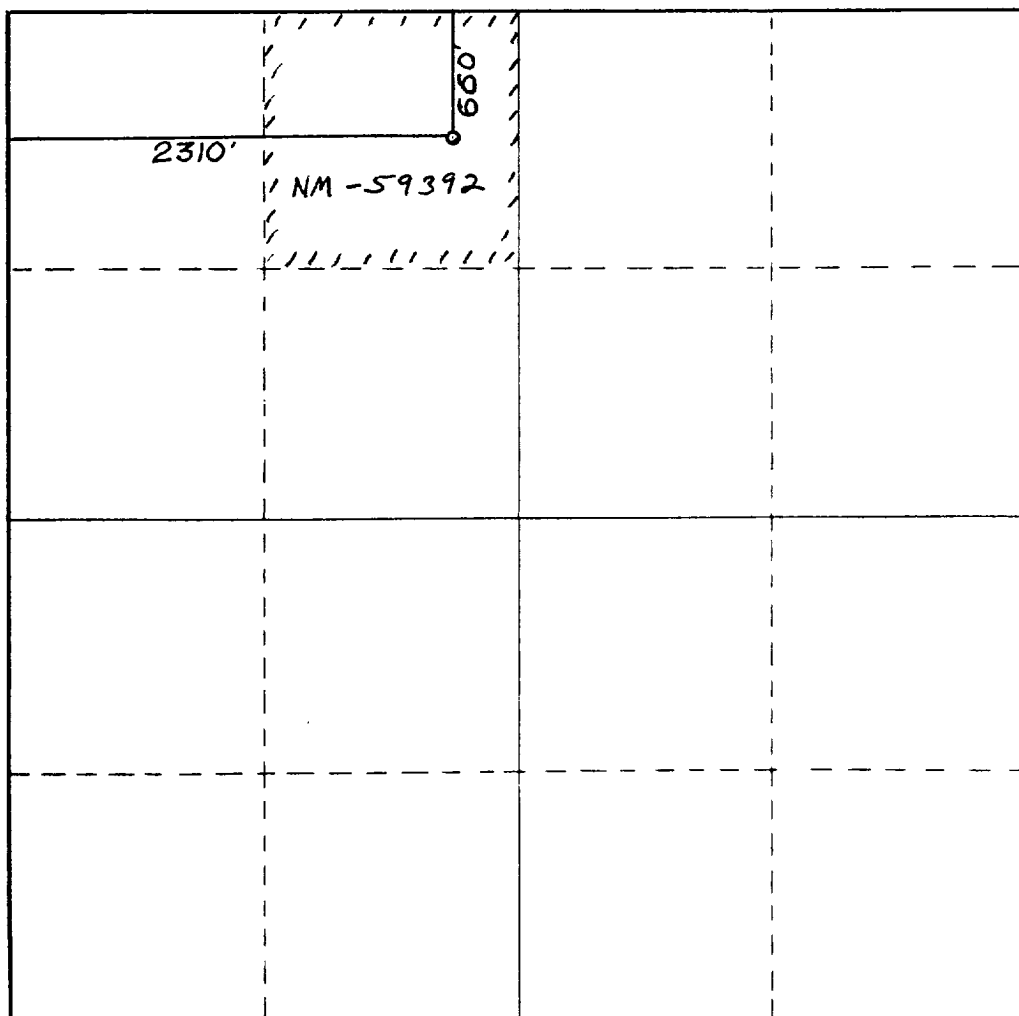
Operator YATES PETROLEUM CORPORATION			Lease Lusk AHB Federal		Well No. 4
Unit Letter C	Section 35	Township 19 South	Range 32 East	County Lea County, N.M.	
Actual Footage Location of Well: -- 660 feet from the North line and 2310 feet from the West line					
Ground Level Elev. 3573.	Producing Formation DELAWARE	Pool Wildcat East Lusk Delaware		Dedicated Acreage: 40 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?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

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

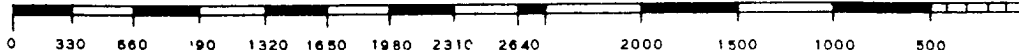
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name **Clifton R. May**
 Position **PERMIT AGENT**
 Company **YATES PETROLEUM CORPORATION**
 Date **10-11-90**

I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.
DAN R. REDDY
REGISTERED PROFESSIONAL ENGINEER
STATE OF NEW MEXICO

Date Surveyed
October 3, 1990
 Registered Professional Engineer
 and/or Land Surveyor

Dan R. Reddy
 Certificate No.
NM PE&PS NO. 5412



YATES PETROLEUM CORPORATION

**Lusk "AHB" Federal #4
660' FNL and 2310' FWL
Section 35, T19S-R32E
Lea County, New Mexico**

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

1. The geological surface formation is Alluvium of Quaternary AGE.

2. The estimated tops of geologic markers are as follows:

Rustler	1,050'
Yates	2,930'
Delaware	4,430'
Brushy Canyon	6,260'
Bone Springs	7,720'
TD	7,900'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	150' - 1100' Red Bed
Oil or Gas:	6260' and 7720'

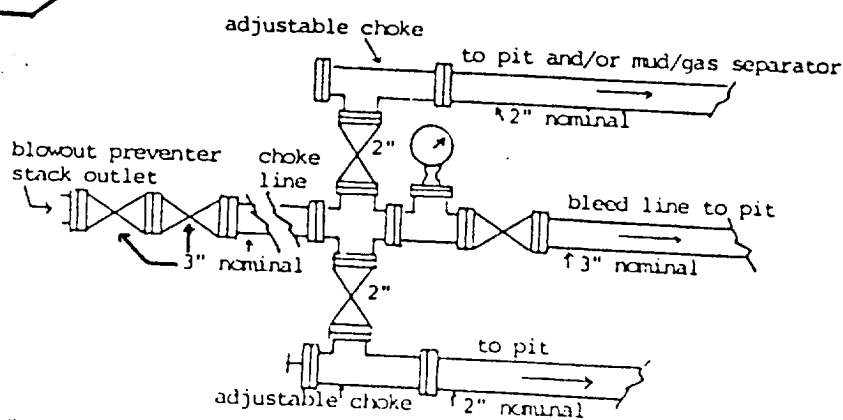
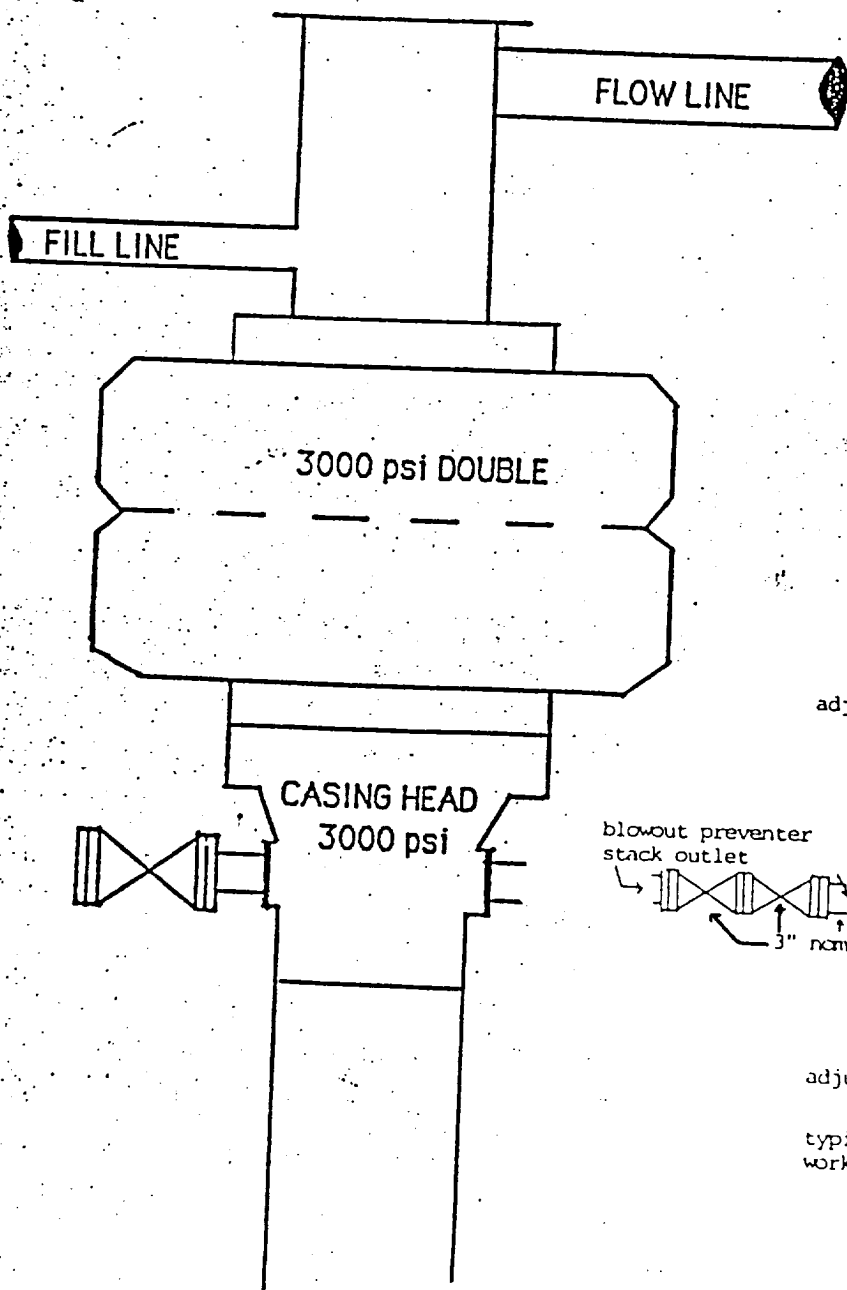
4. Proposed Casing Program: See Form 3160-3.

5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.

6. Mud Program: See Form 3160-3.

YATES PETROLEUM CORPORATION

EXHIBIT B



typical choke manifold assembly for 3M rated
working pressure service-surface installation

404 7-892

ELF

RECEIVED

NOV 01 1980

CHIEF OF POLICE
BIRMINGHAM OFFICE