

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-59392	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Yates Petroleum Corporation			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, NM 88210			8. FARM OR LEASE NAME Lusk "AHB" Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface Unit A; 430' FNL & 990' FEL, 35-19S-32E At proposed prod. zone			9. WELL NO. 6	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12 miles south of Maljamar, NM			10. FIELD AND POOL, OR WILDCAT East Lusk Wildcat Delaware	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 35-T19S-R32E	
16. NO. OF ACRES IN LEASE			12. COUNTY OR PARISH Lea	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3568' GL			22. APPROX. DATE WORK WILL START*	
23. PROPOSED CASING AND CEMENTING PROGRAM Secretary's Potash				

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	1140'	Circulate - 1150 sacks
12 1/4"	8 5/8"	32.0#	4500'	Circulate - 2500 sacks
7 7/8"	5 1/2"	17 & 20#	TD	Adequate cover - SEE SLIPS.

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 4500' 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.

MUD PROGRAM: Native mud 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 5-15-91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE AREA MANAGER DATE 6-24-91
CARLEWAD, N. SOURCE AREA

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

ATTACHED

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

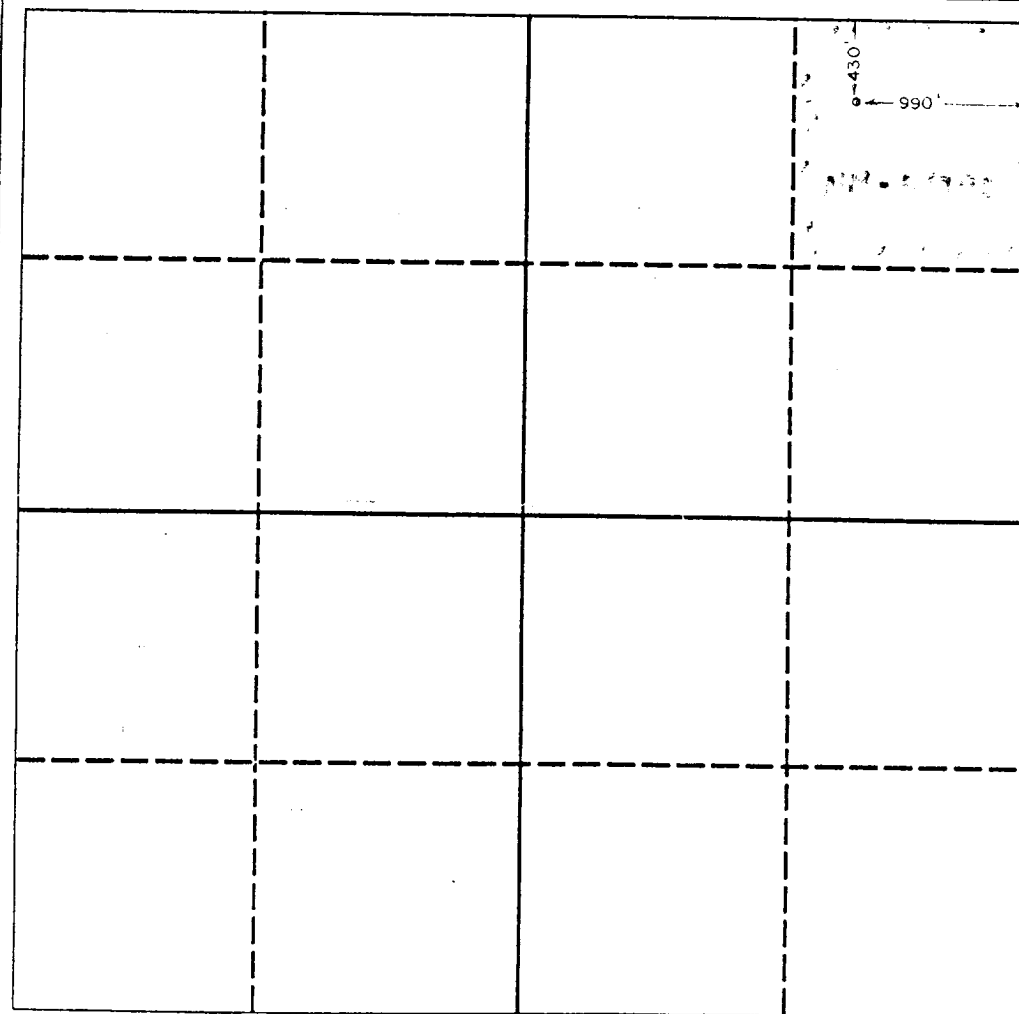
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease LUSK "AHB" FEDERAL		Well No. 6
Unit Letter A	Section 35	Township 19 SOUTH	Range 32 EAST	County LEA	
Actual Footage Location of Well: 430 feet from the NORTH line and 990 feet from the EAST line					
Ground level Elev. 3568	Producing Formation DELAWARE		Pool EAST LUSK WILCOX DELAWARE	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

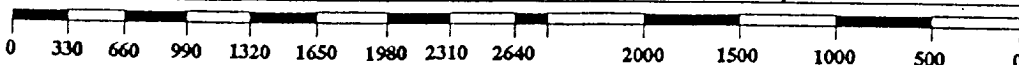
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Clifton R. May
Printed Name
Clifton R. May
Position
Permit Agent
Company
Yates Petroleum Corp.
Date
5-15-91

SURVEYOR CERTIFICATION

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
4/30/91
Signature & Seal of Professional Surveyor
HERSCHEL JONES
Certificate No. **3640**
REGISTERED LAND SURVEYOR



YATES PETROLEUM CORPORATION

**Lusk "AHB" Federal #6
430' FNL and 990' FEL
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 Sandy Alluvium:

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.

7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.

8. Testing, Logging and Coring Program:

Samples: Out from under surface casing to TD.

DST's: As warranted.

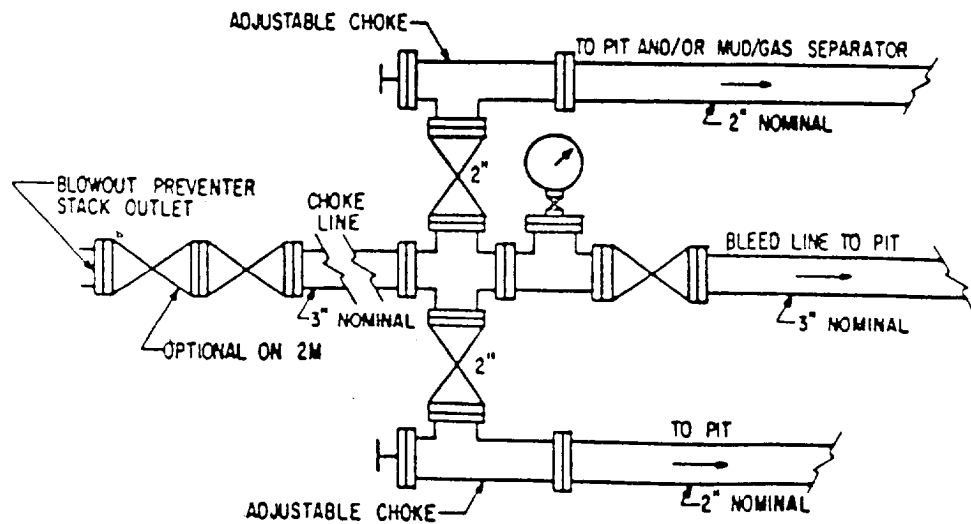
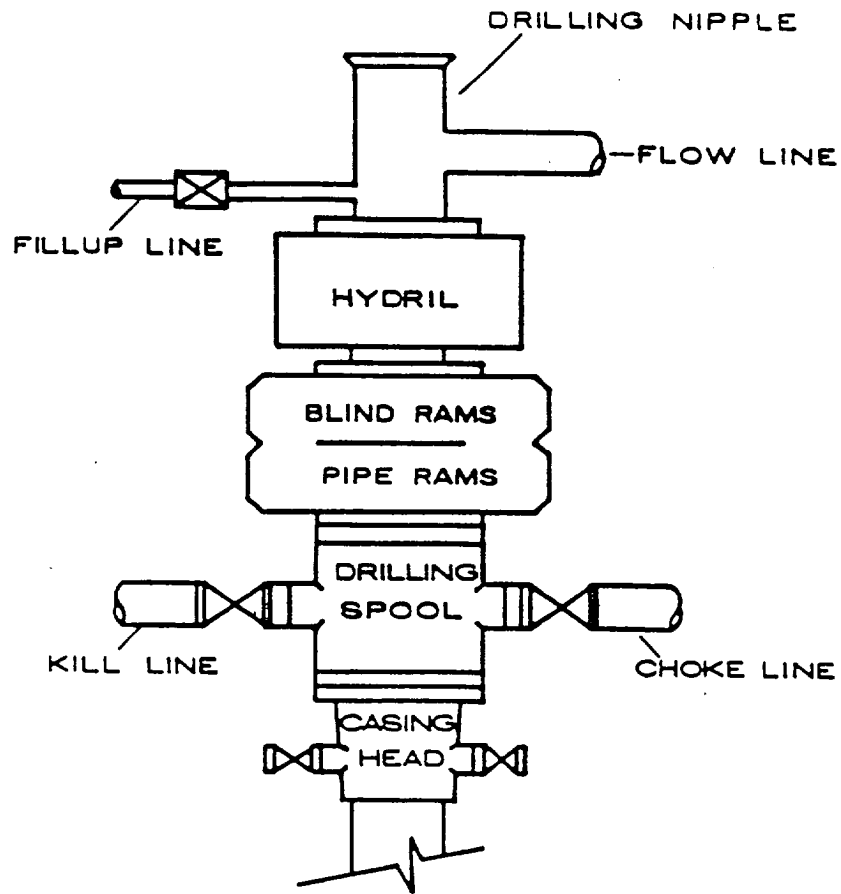
Coring: None anticipated.

Logging: Dual Induction Laterolog, Gamma Ray/Litho Density, Gamma Ray/Compensated Neutron with Caliper Log.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

BOP STACK



1008-5-4-92
ELF

5-11-92
JUN 11 1992
1008-5-4-92