

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

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

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

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

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

API NO. (assigned by OCD on New Wells) <b>30-025-31600</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-134

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Lease Name or Unit Agreement Name  Kiwi "AKX" State			
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"/>		8. Well No. 4			
2. Name of Operator Yates Petroleum Corporation		9. Pool name or Wildcat Levenston Ridge Undesignated Delaware East			
3. Address of Operator 105 South Fourth Street, Artesia, New Mexico 88210					
4. Well Location Unit Letter <u>0</u> : <u>330</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>16</u> Township <u>22 South</u> Range <u>32 East</u> NMPM Lea County					
10. Proposed Depth 8900'		11. Formation Delaware			
12. Rotary or C.T. Rotary					
13. Elevations (Show whether DF, RT, GR, etc.) 3705' GR		14. Kind & Status Plug Bond Blanket			
15. Drilling Contractor Undesignated		16. Approx. Date Work will start ASAP			
17. 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"	54.50#	850'	850	Circulated
11"	8 5/8"	32#	4450'	1500	Circulated
7 7/8"	5 1/2"	15.0 & 17#	TD	800	

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 850' 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 set and cemented back to 8 5/8" casing, perforated and stimulated as needed for production.

MUD PROGRAM : 0 - 850' Native mud; 850' - 4450' - will be Brine; 4450' - TD with cut Brine/Starch.

BOPE PROGRAM: BOPE 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. 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.

SIGNATURE Clifton R. May TITLE Permit Agent DATE 5-18-92  
TYPE OR PRINT NAME Clifton R. May TELEPHONE NO. 748-1471

(This space for State Use)

APPROVED BY DEPUTY SUPERVISOR TITLE DEPUTY SUPERVISOR DATE MAY 21 '92  
CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval  
Date Unless Drilling Underway.