

OPER. OGRID NO. 15445

PROPERTY NO. 17341

POOL CODE 53800

PLICATE*
(ons on
e)

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

UNIT EFF. DATE 8/16/95
DEPARTMENT API NO. 30-225-33054
BUREAU OF

5. LEASE DESIGNATION AND SERIAL NO.
NM-62223

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Sharbro Federal

9. AP WELL NO.

10. FIELD AND POOL, OR WILDCAT
#1 Sand Dunes

Wildcat Bone Spring

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 7-T23S-R32E

12. COUNTY OR PARISH | 13. STATE
Lea | NM

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL

DEEPEN

b. TYPE OF WELL

OIL WELL

GAS WELL

OTHER

SINGLE ZONE

MULTIPLE ZONE

2. NAME OF OPERATOR

MYCO INDUSTRIES, INC.

3. ADDRESS AND TELEPHONE NO.

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' FSL and 660' FEL

At proposed prod. zone

same

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

38 miles west and north of Jal, 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

617.92

17. NO. OF ACRES ASSIGNED TO THIS WELL

40

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

19. PROPOSED DEPTH

9400

20. ROTARY OR CABLE TOOLS

Rotary

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

3569' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# H-40	870'	750 sacks CIRCULATE
12 1/4"	8 5/8"	32# J-55	4600'	1400 sacks CIRCULATE
7 7/8"	5 1/2"	17# K-55	TD	900 sacks (TIE BACK)

Yates Petroleum Corporation proposes to drill and test the bone spring and intermediate formations. Approximately 870' of surface casing will be set and cement circulated. Approximately 4600' 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: FW/Gel to 870'; Brine to 4600'; cut Brine 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, 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 Regulatory Agent DATE 6-27-95

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

APPROVED BY JOAN R. Flores TITLE Area Manager DATE 8-9-95

*See Instructions On Reverse Side

RECEIVED

AUG 16 1966

OC/O HUMAN
OFFICE