

**I.M. OIL
P.O. BOX
HOBBS, I
UNITED
DEPARTMENT C
BUREAU OF LA**

OPER. OGRID NO. 25575
PROPERTY NO. 14833
POOL CODE - CATE* ON
EFF. DATE 3/19/96
API NO. 32025-33345

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

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

YATES PETROLEUM CORPORATION

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

1650' FNL and 2310' FWL, Unit letter F

At proposed prod. zone

Same

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

Approximately 29 miles southeast of Loving, 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

1743.52

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

10,000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3553' 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"	54.50#	700'	600 sacks - Circulate
11"	8 5/8"	32#	4275'	1200' sacks - Circulate
7 7/8"	5 1/2"	15.5# & 17#	TD	1050 sacks - Tie back to 8 5/8" Casing

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 700' of surface casing will be set and cement circulated. Approximately 4275' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover to tie-back to the 8 5/8" casing, perforate, and stimulate as needed for production.

MUD PROGRAM: FW to 700', Brine to 4275', cut Brine to TD.

BOPE PROGRAM: BOPE will be nipped up on 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

Cliff R. May

TITLE

Regulatory Agent

DATE

2-8-96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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:

APPROVED BY

Alfreda Vega

TITLE

ASSISTANT AREA MANAGER

DATE

3-8-96

*See Instructions On Reverse Side