

(Other instructions on
reverse side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-035-28938

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"/>			7. UNIT AGREEMENT NAME Paduca Unit	
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. FARM OR LEASE NAME	
2. NAME OF OPERATOR YATES PETROLEUM CORPORATION			9. WELL NO. 2	
3. ADDRESS OF OPERATOR 207 South 4th Street, Artesia, New Mexico 88210			10. FIELD AND POOL, OR WILDCAT N & Paduca Delaware	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FNL and 990' FEL At proposed prod. zone same			11. SEC., T., R., M., OR BLK. AND 1/4 UNDESIGNATED Sec. 23-T25S-R32E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 24 miles SE of Loving, New Mexico			12. COUNTY OR PARISH Lea	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 990'			13. STATE N.M.	
16. NO. OF ACRES IN LEASE 880			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. 5000'			19. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3441' CL			20. APPROX. DATE WORK WILL START* ASAP	

PROPOSED CASING AND CEMENTING PROGRAM

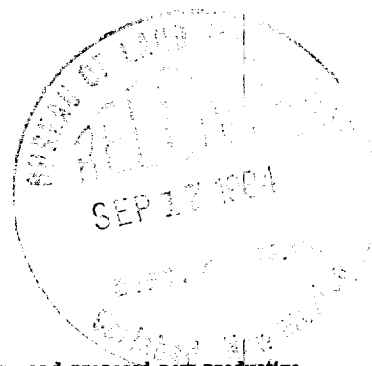
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 1/2 5/8"	36# K-55	1000'	600 sx circ
7 7/8"	5 1/2"	14# K-55	TD	200 sx

We propose to drill and test the Delaware and intermediate formations. Approximately 1000' of surface casing will be set and cement circulated to shut off gravel and caving. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW & LCM to 1000', Brine & LCM to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED



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. Cy Cowan TITLE Regulatory Agent DATE 9/13/84
(This space for Federal or State office use)

PERMIT NO. 640421 APPROVAL DATE _____
APPROVED BY _____ TITLE CARLEAD RECORDING DATE 9-20-87
CONDITIONS OF APPROVAL, IF ANY: _____
APPROVAL SUBJECT TO: _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED