

NO. OF COPIES RECEIVED	6
DISTRIBUTION	
SANTA FE	/
FILE	/
U.S.G.S.	2
LAND OFFICE	/
OPERATOR	/

NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

MAR 29 1979

O. C. C.

Form C-101
Revised 1-1-65

30-015-22891

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L-2919
7. Unit Agreement Name
8. Farm or Lease Name SRC State "KZ"
9. Well No. 1
10. Field and Pool, or Wildcat Undes. Penasco Draw Yeso
11. County Eddy
19. Proposed Depth Approx 3050'
19A. Formation Yeso
20. Rotary or C.T. Rotary
21. Elevations (Show whether DF, RT, etc.) 3672
21A. Kind & Status Plug. Bond Blanket
21B. Drilling Contractor L & R Drilling Co.
22. Approx. Date Work will start As soon as possible

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	2. Name of Operator Yates Petroleum Corporation	3. Address of Operator 207 South 4th Street, Artesia, NM 88201	4. Location of Well UNIT LETTER G LOCATED 2310 FEET FROM THE North LINE AND 1650 FEET FROM THE East LINE OF SEC. 1 TWP. 19S RGE. 24E NMPM
23. PROPOSED CASING AND CEMENT PROGRAM			

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	10 3/4	32.7#	Approx 300	175 sxs	Circulate
9 1/2"	7	17#	Approx 920	550 sxs	Circulate
6 1/4"	5 1/2-4 1/2	14#-9.5#	Approx TD	255 sxs	Circulate

We propose to drill and test the Yeso and San Andres formations. Approx. 300' of surface casing will be set to shut off gravel and caving and intermediate casing will be set at least 100' below the Artesian Water Zone. A tapered 5 1/2 & 4 1/2" production casing will be run, perforated and sand frac'd for production.

Mud Program: Fresh water Gel to 920'; fresh water to TD.
BOP Program: BOP's will be installed on 7" casing and tested.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED

EXPIRES 6-30-79

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.

Signed Alvin Kalm Title Geographer Date 3-28-79
(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE MAR 30 1979
CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to
surface behind 10 3/4" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing
the 7" casing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION FORM

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

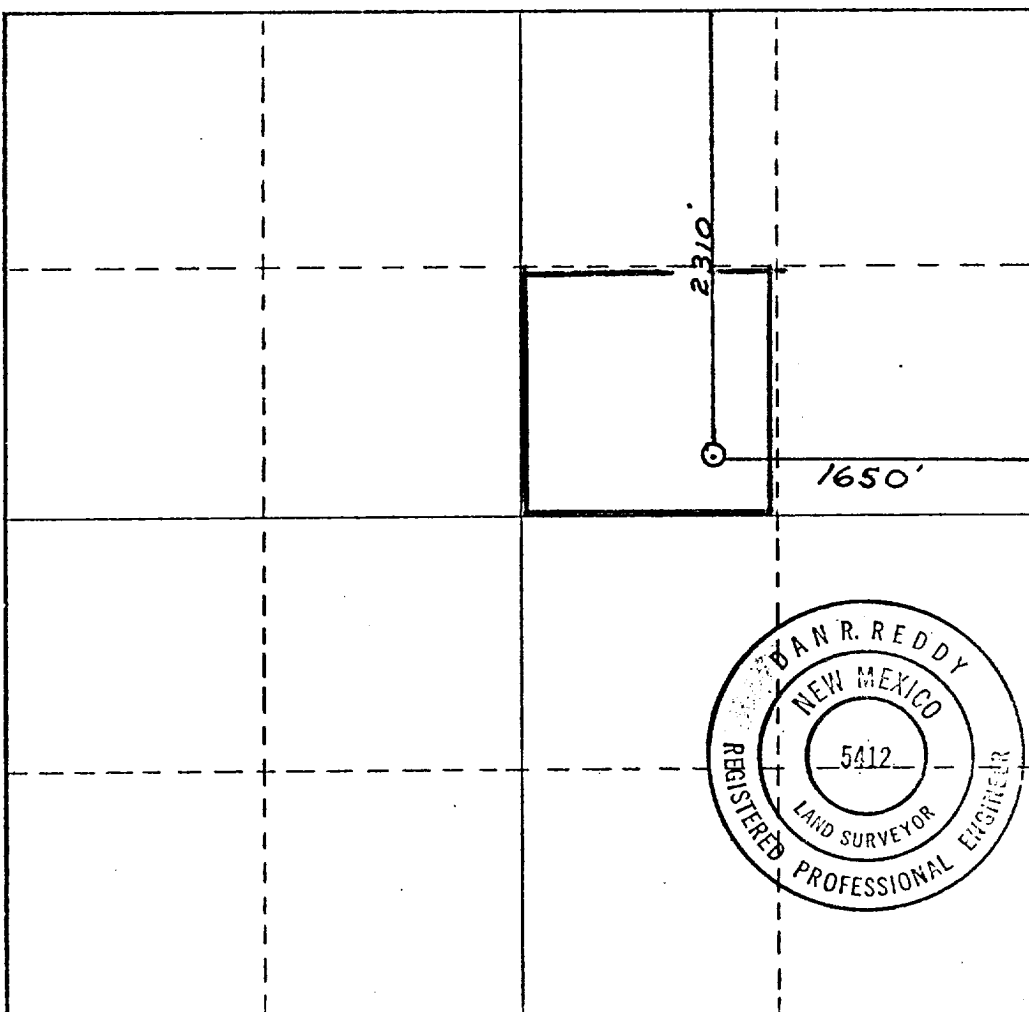
Operator YATES PETROLEUM CORPORATION			Lease SRC State KZ		Well No. 1
Unit Letter G	Section 1	Township 19 South	Range 24 East	County Eddy	
Actual Footage Location of Well: 2310 feet from the North line and 1650 feet from the East line					
Ground Level Elev. 3672	Producing Formation YESO		Pool UNDES. PENASCO DRAW YESO SA	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Gloria Rodriguez
Name

GLORIA RODRIGUEZ
Position

GEODESIST

Company

YATES PETROLEUM CORP

Date

3-28-79

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.

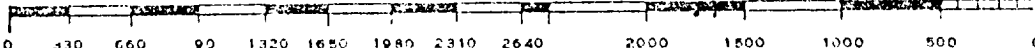
Date Surveyed

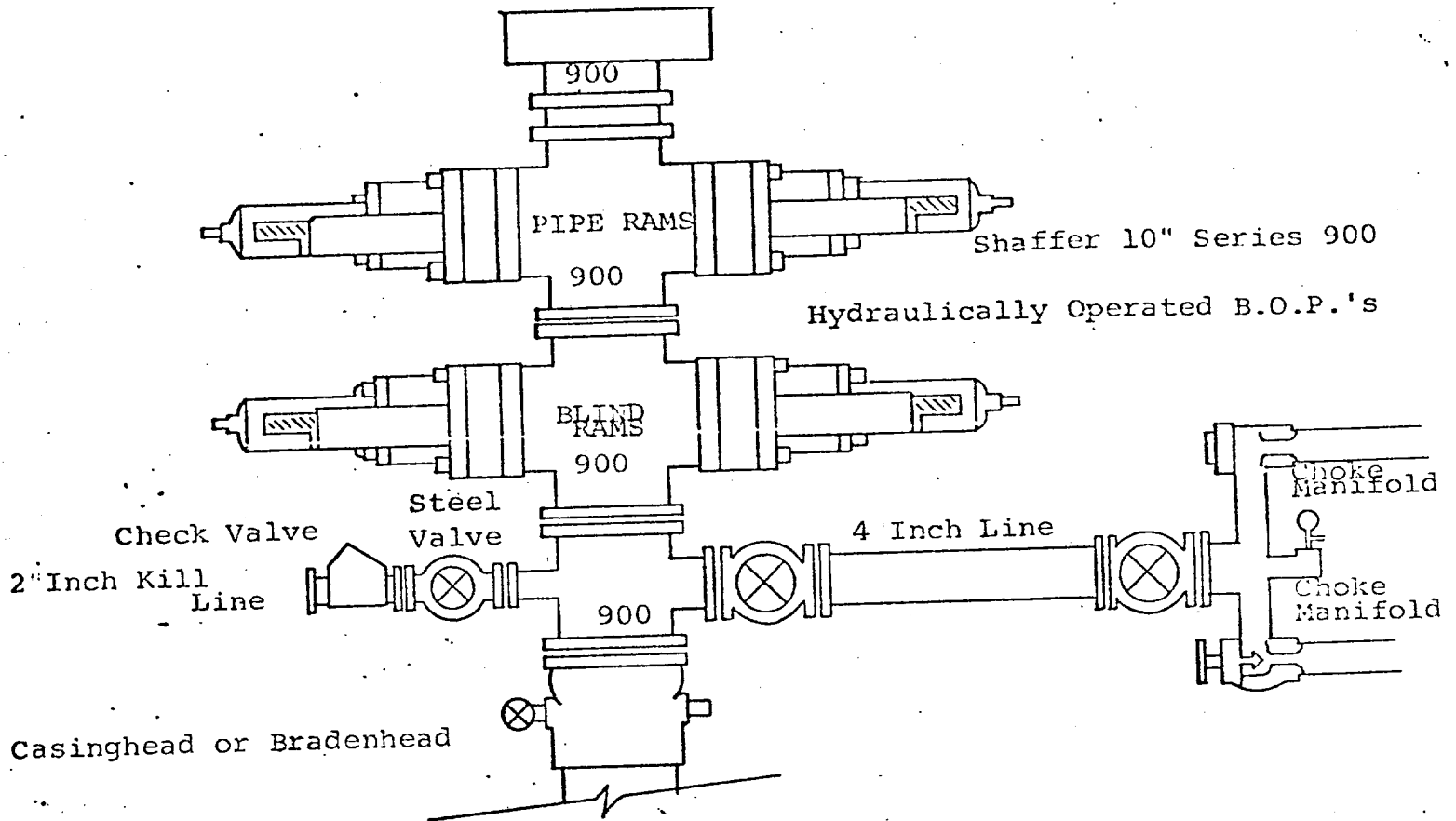
March 28, 1979

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

New Mexico PE&LS #5412





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.