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OPERATOR	✓	

NEW MEXICO OIL CONSERVATION COMMISSION

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FEB 18 1987
 O. C. D.
 ARTESIA OFFICE

30-015-25732
 Form C-101
 Revised 1-1-65

5A. Indicate Type of Lease
 STATE FEE

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
 b. Type of Well DRILL DEEPEN PLUG BACK
 OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

7. Unit Agreement Name

8. Farm or Lease Name
 Parish "IV" Com

2. Name of Operator
 Yates Petroleum Corporation

9. Well No.
 1

3. Address of Operator
 105 South Fourth Street, Artesia, New Mexico 88210

10. Field and Pool, or Wildcat
 Indesignated, North Dagger
 Draw Upper Penn

4. Location of Well
 UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE
 AND 1980 FEET FROM THE East LINE OF SEC. 19 TWP. 19S RGE. 25E NMPM

12. County
 Eddy

19. Proposed Depth 7950'
 19A. Formation Cisco-Canyon
 20. Rotary or C.T. Rotary

21. Elevations (Show whether DF, RT, etc.) 3565' Ground Level
 21A. Kind & Status Plug. Bond Blanket
 21B. Drilling Contractor Undesignated
 22. Approx. Date Work will start As soon as possible

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4"	9 5/8"	36# J-55	1400'	600 Sacks	Circ.
8 3/4"	7"	26# K-55	Total Depth	400 Sacks	-
		23# S-95			

We propose to drill and test the Canyon and intermediate formations. Approximately 1400' of surface casing will be set with cement circulated. If commercial, production casing will be ran and cemented with adequate cover, perforated and stimulated as needed for production.

Mud Program: FW Gel/LCM to 1400'; cut Brine 7500'; Starch/ Dris PAK to TD.
BOP Program: BOP's will be installed on 9 5/8" casing and tested daily.

Notify N.M.O.C.C. in sufficient time to witness:
Cementing of 9 5/8" csg.

APPROVAL VALID FOR 180 DAYS
 PERMIT EXPIRES 8-18-87
 UNLESS DRILLING UNDERWAY
 3-6-87

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 Cy Cowan Title Regulatory Agent Date 2-18-87
 (This space for State Use)

FEB 27 1987

APPROVED BY _____ TITLE _____ DATE _____
 CONDITIONS OF APPROVAL, IF ANY:

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

Operator Yates Petroleum Corp		Lease PARISH IV Com		Well No. 1
Unit Letter J	Section 19	Township 19 South	Range 25 East	County EDDY
Actual Postage Location of Well: 1980 feet from the South line and 1980 feet from the EAST line				
Ground Level Elev. 3565'	Producing Formation CISCO-CANYON		Wedges North Dagger Draw Upper Penn	Dedicated Acreage: 160

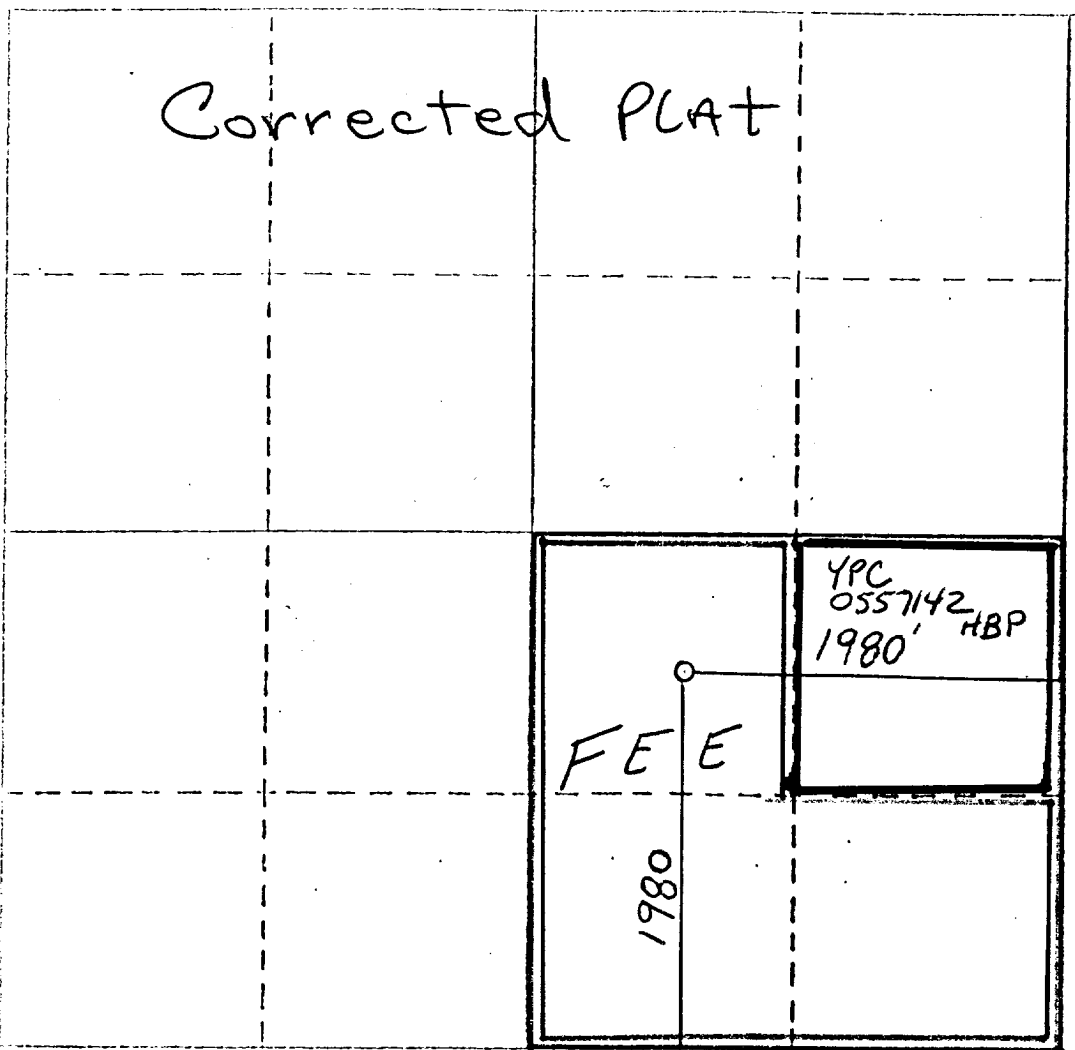
- Outline the acreage dedicated to the subject well by colored pencil or ink marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to it, do all have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

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Yes No If answer is "yes," type of consolidation Communitization

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 Division



CERTIFICATION

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

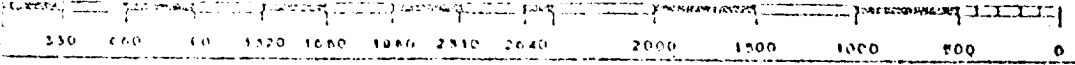
Cy Cowan
Name
Cy Cowan
Position
Regulatory Agent
Company
Yates Petroleum Corp
Date
2-23-87

I hereby certify that the well location shown on this plot 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.

Refer to Original
Date Surveyed
PLAT

Registered Professional Engineer and/or Land Surveyor

Certificate No.



NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 Parish IV Com			Well No. 1
Unit Letter J	Section 19	Township 19 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the East line					
Ground Level Elev. 3565.	Producing Formation CISCO-CANYON	Pool UNDES. North DAGGAR DRAW Upper Penn		Dedicated Acreage: 160 Acres	

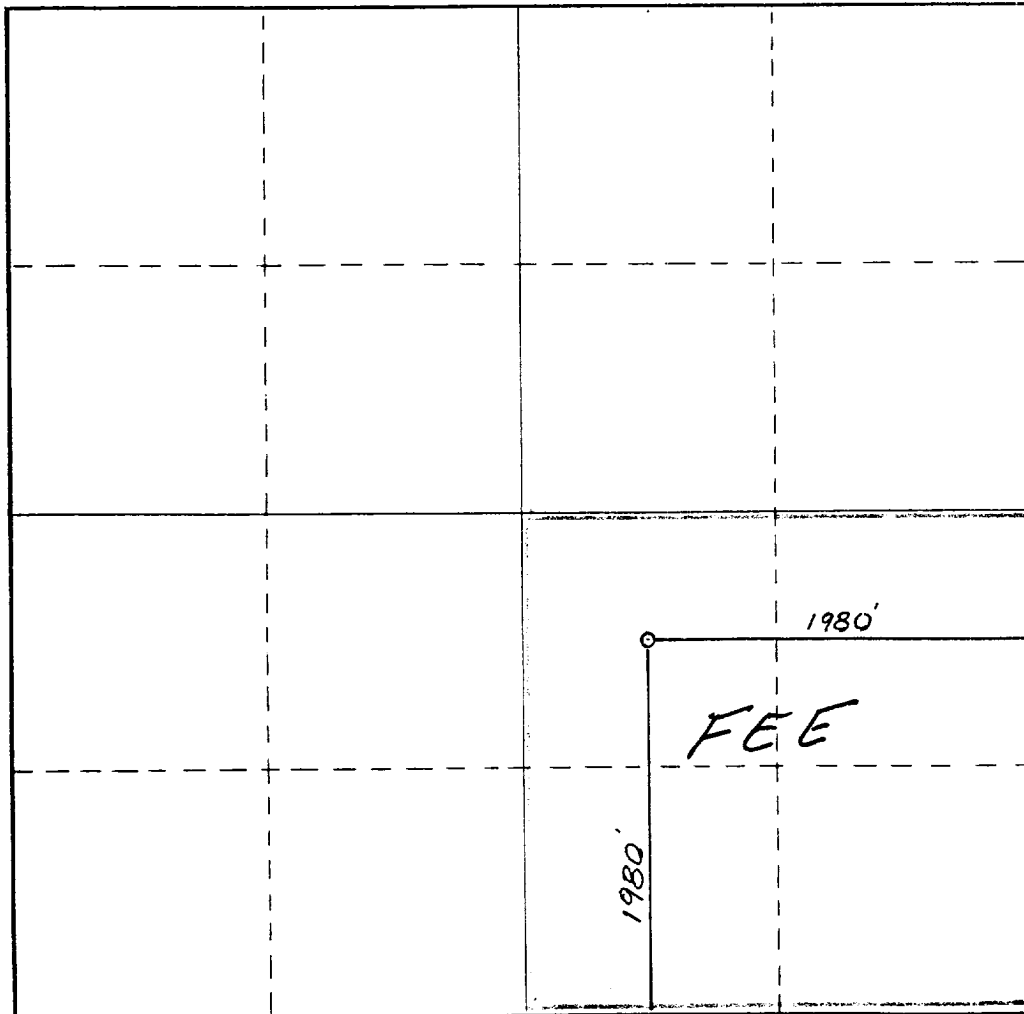
- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

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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.

Cy Cowan

Name
Regulatory Agent

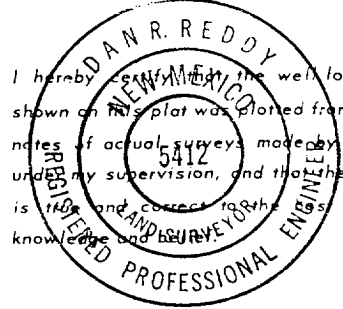
Position
Yates Petroleum Corporation

Company

February 18, 1987

Date

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.



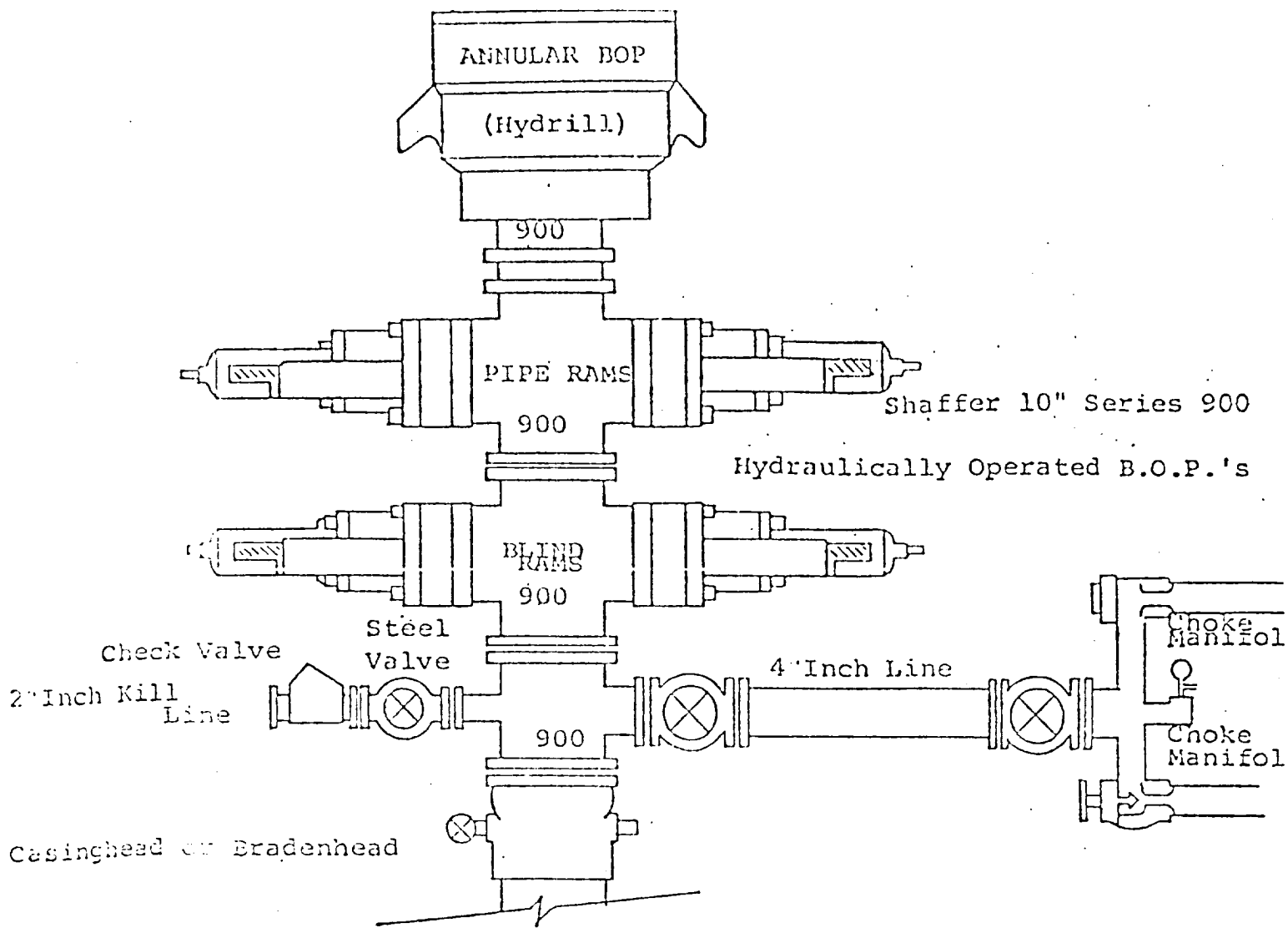
Date Surveyed
February 13, 1987

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&LS NO. 5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control 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.
10. D. P. float must be installed and used below zone of first gas intrusion.