

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Er , Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

# OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088  
MAR 14 '90

O. C. D.

API NO. (assigned by OCD on New Wells)

30-015-26303

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

E - 2781

7. Lease Name or Unit Agreement Name

Huisache "AHI" St. Com.

8. Well No.

1

9. Pool name or Wildcat

Und. Morrow

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☐

GAS  
WELL ☒

OTHER ☐

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, New Mexico 88210

4. Well Location

Unit Letter H : 1980 Feet From The North Line and 660 Feet From The East Line

Section 2

Township 20 South Range 24 East

NMPM

Eddy

County

10. Proposed Depth

9600'

11. Formation

Morrow

12. Rotary or C.T.

Rotary

13. Elevations (Show whether DF, RT, GR, etc.)

3624 GR

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Not Determined

16. Approx. Date Work will start

ASAP

17.

### 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	1200'	925 sx	Circulate
8-3/4"	7"	26# K-55 & N-80	TD	400 sx	
		23# K-55			

We propose to drill and test the Morrow and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be ran and cemented, will perforate and stimulate as needed for production. If lost circulation above 350', will ream out and run another string of casing.

MUD PROGRAM: FW Gel/LCM to 1200'; FW to 4300'; cut brine to 7300'; SW Gel/Starch to 8900'; SW Gel/Dris/St to TD.

BOP PROGRAM: BOP's and hydril will be installed on 9 5/8" casing and tested daily.

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS

PERMIT EXPIRES 9/14/90

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.

SIGNATURE Ken Beardemphl TITLE Landman

DATE 3-14-90

TYPE OR PRINT NAME Ken Beardemphl

(505)

TELEPHONE NO. 748-1471

(This space for State Use)

ORIGINAL SIGNED BY

MIKE WILLIAMS

SUPERVISOR, DISTRICT II

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

DATE MAR 14 1990

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT  
TIME TO WITNESS CEMENTING THE  
95/8 CASING

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-112  
Supersedes C-128  
Effective 1-1-66

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

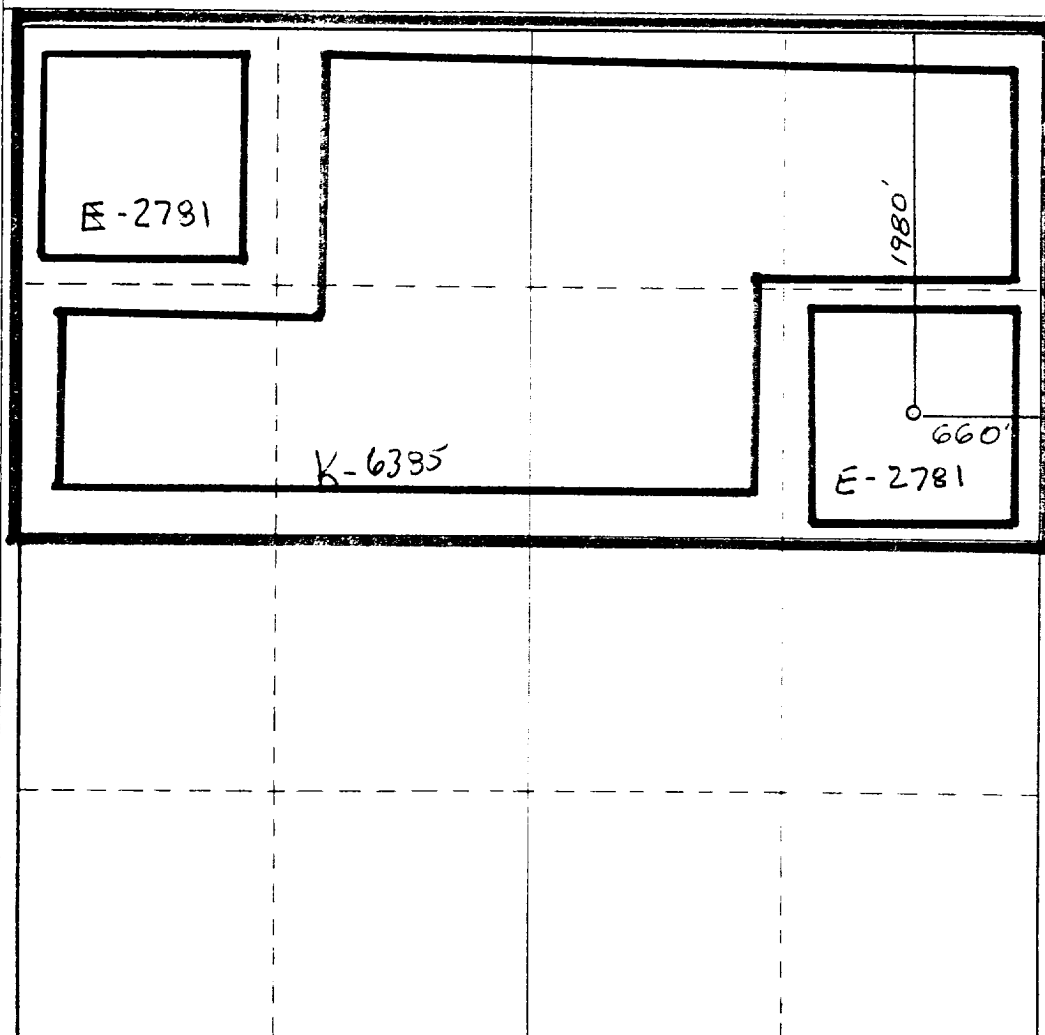
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Huisache AHI State Con</b>		Well No. <b>1</b>
Unit Letter <b>H</b>	Section <b>2</b>	Township <b>20 South</b>	Range <b>24 East</b>	County <b>Eddy County, N.M.</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>East</b> line					
Ground Level Elev. <b>3624.</b>	Producing Formation <b>Morrow</b>		Pool <b>Und. Morrow</b>	Dedicated Acreage <b>320 Acres</b>	

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 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 Commission.



CERTIFICATION

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

*Ken Beardemphl*

Name

Ken Beardemphl

Position

Landman

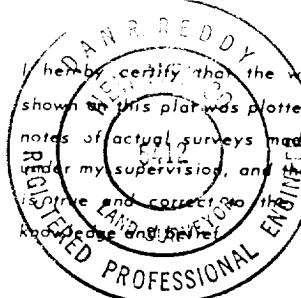
Company

Yates Petroleum Corporation

Date

3-14-90

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

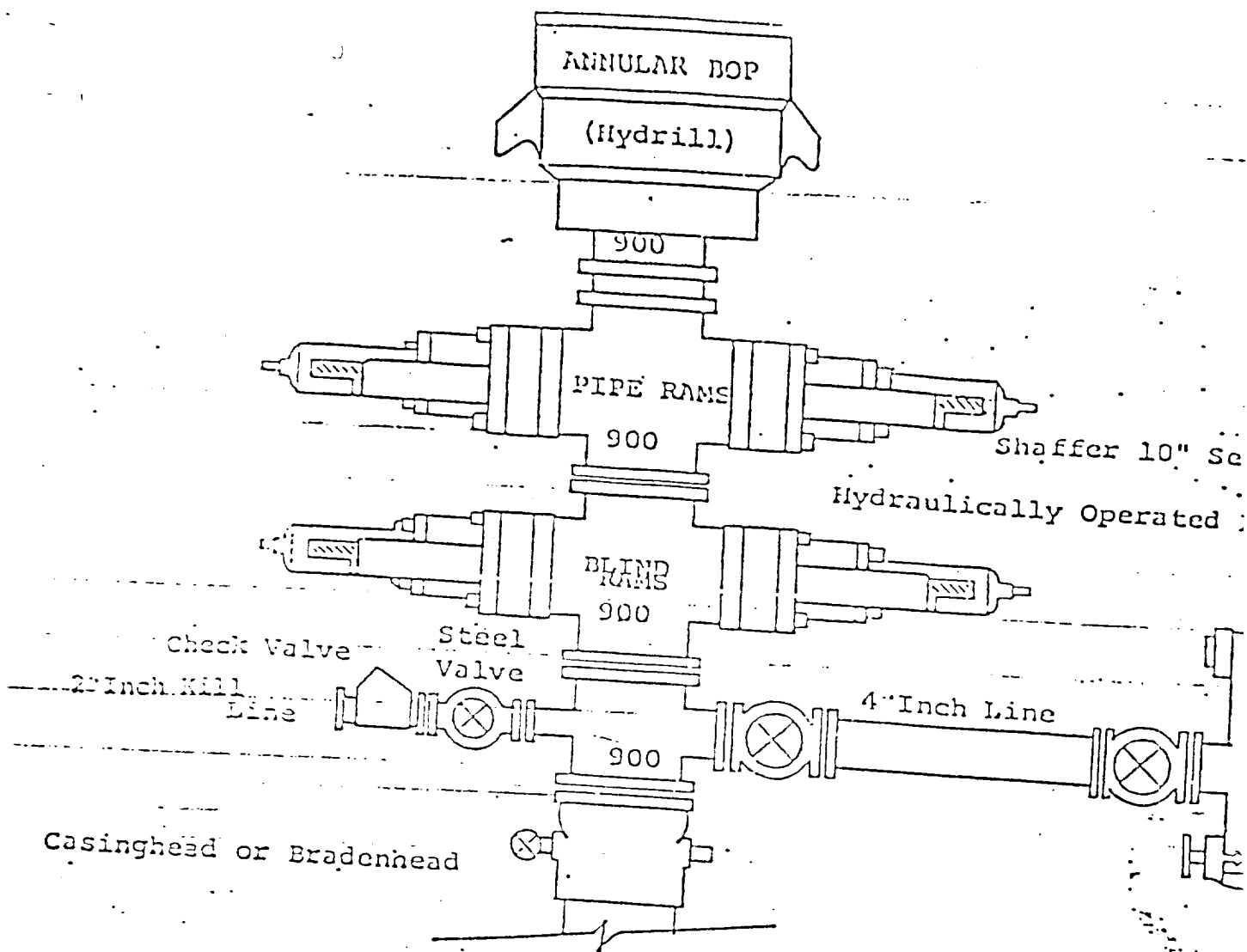
March 12, 1990

Registered Professional Engineer  
and/or Land Surveyor

*Dan R. Reddy*

Certificate No.

NM PE&LS NO. 5412



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" 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 hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equal 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.

EXHIBIT B