

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY*C/SF*  
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"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 18403	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE, OR INDIAN NAME APR 5 1982	
2. NAME OF OPERATOR Yates Petroleum Corporation		7. UNIT AGREEMENT NAME O. C. D.	
3. ADDRESS OF OPERATOR 207 S. 4th, Artesia, New Mexico 88210		8. FARM OR LEASE NAME Artesia, Office	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FSL & 660' FEL At proposed prod. zone same		9. WELL NO. 4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 22 miles NNE of Roswell, NM		10. FIELD AND POOL, OR WILDCAT Undes. Pecos Slope Abo	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 10-T8S-R25E	
16. NO. OF ACRES IN LEASE 640		12. COUNTY OR PARISH Chaves	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 4150'		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 660'		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
19. PROPOSED DEPTH 4150'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3607.1		22. 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
14 3/4"	10 3/4"	40.5# J-55	appr. 1000'	660 sx circulated
7 7/8"	4 1/2"	9.5#	TD	350 sx

We propose to drill and test the Abo and intermediate formations. Approximately 1000' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 8 5/8" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. If commercial, production casing will be run and cemented with adequate cover, perforate, and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 1000', Brine to 3500', Brine & KCL water to TD.

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

GAS NOT DEDICATED.

RECEIVED  
MAR 19 1982

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. If no out preventer program, if any.

SIGNED *Ken Brander* TITLE Regulatory Coordinator DATE 3/18/82  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY (Orig. Sgd.) GEORGE H. STEWART TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:  
MAR 31 1982  
FOR  
JAMES A. GILHAM  
DISTRICT SUPERVISOR

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 <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Morton "SZ" Federal</b>		Well No. <b>4</b>
Unit Letter <b>I</b>	Section <b>10</b>	Township <b>8 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>East</b> line					
Ground Level Elev. <b>3607.1'</b>	Producing Formation <b>Abo</b>		Pool <b>Undes. Pecos Slope Abo</b>		Dedicated Acreage: <b>160</b> 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.

Name

**Gliserio Rodriguez**

Position

**Regulatory Manager**

Company

**Yates Petroleum Corporation**

Date

**3/8/82**

I hereby certify that the well location shown on this plat is 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.

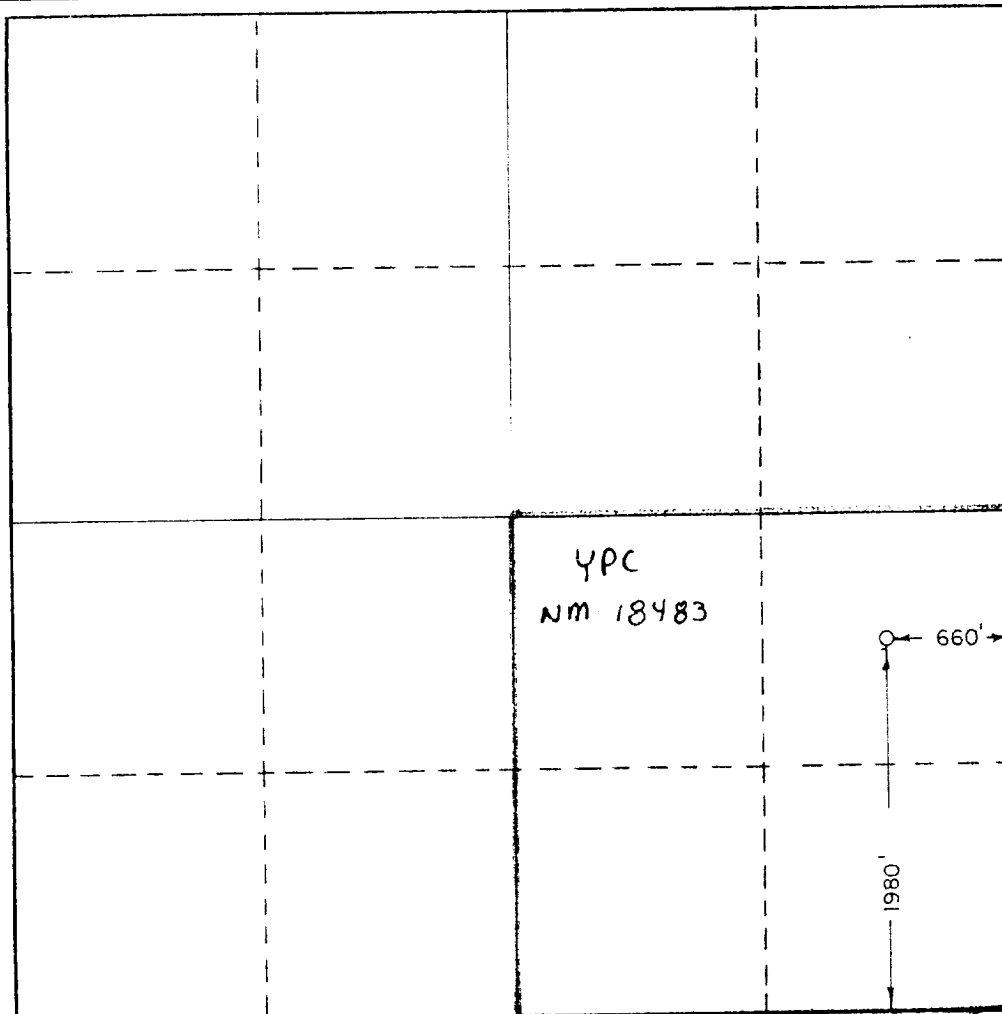
Date Surveyed

**3/5/82**

Registered Professional Engineer and/or Land Surveyor

Certificate No.

**7977**



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

## YATES PETROLEUM CORPORATION

Morton "SZ" Federal #41980' FWL and 660' FELSection 10-T8S-R25EChaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

1. The geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	351'
Glorieta	1455'
Fullerton	2900'
Abo	3617'
TD	4150'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 200'

Oil or Gas: Abo 3640'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples: Surface casing to TD

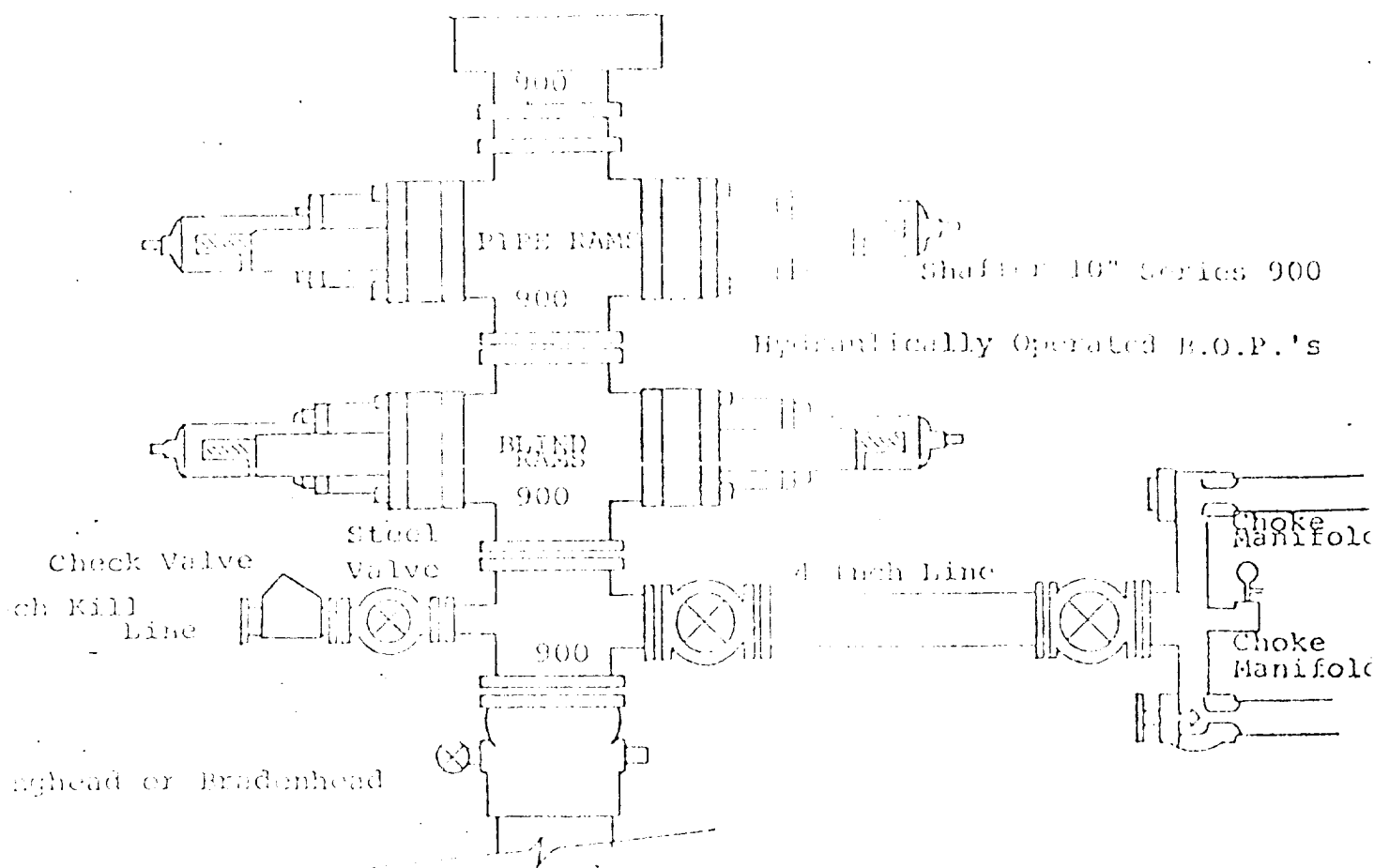
DST's: As warranted

Coring: None

Logging: CNL-FDC TD to casing w/GR-CNL on to surface & DLL from TD to casing with selected min. RxO.

9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

# EXHIBIT B



## FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

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

YATES PETROLEUM CORPORATION  
ILLEGIBLE

