

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells) 30-025-01153
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2461

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. Lease Name or Unit Agreement Name Abalone "AMB" State		
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			8. Well No. 1		
2. Name of Operator Yates Petroleum Corporation			9. Pool name or Wildcat Saunders Permo Upper Penn		
3. Address of Operator 105 South Fourth Street, Artesia, New Mexico 88210					
4. Well Location Unit Letter <u>D</u> : <u>660</u> Feet From The <u>North</u> Line and <u>660</u> Feet From The <u>West</u> Line Section <u>26</u> Township <u>14 South</u> Range <u>33 East</u> NMPM Lea County					
10. Proposed Depth 9972'			11. Formation Bough		12. Rotary or C.T. Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 4209' DF		14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor Undesignated	
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
17"	13 3/8"	48#	350'-in place	375	Circulated
11"	8 5/8"	28 & 32#	4179'-in place	1786	Circulated
7 7/8"	5 1/2"	17 & 20#	Tie-in at 8750'	Sufficient to tie back to 8 5/8"	±3800'
7 7/8"	5 1/2"	17#	8750' to 10,500 in place	300	8855'

Yates Petroleum Corporation plans to re-enter this well that was originally drilled by Texas Pacific Coal & Oil Company as the State of New Mexico "X" #1. Yates Proposes to drill out the cement plugs and clean out the well to the top of the cement at 9972'. Yates will run 5 1/2" casing to tie onto the casing at 8750', cement 5 1/2" to at least tie back into the 8 5/8", perforate, acidize, and test the Bough formation.

MUD PROGRAM: Fresh water to PBTD.

BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing at the offset and tested daily for operational.

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 Tina Romo TITLE Regulatory Secretary DATE 10-22-92
TYPE OR PRINT NAME Tina Romo TELEPHONE NO. 748-1471

(This space for State Use) **ORIGINAL SIGNED BY JERRY SEXTON**
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

OCT 28 '92

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WELL LOCATION AND ACREAGE DEDICATION PLAT

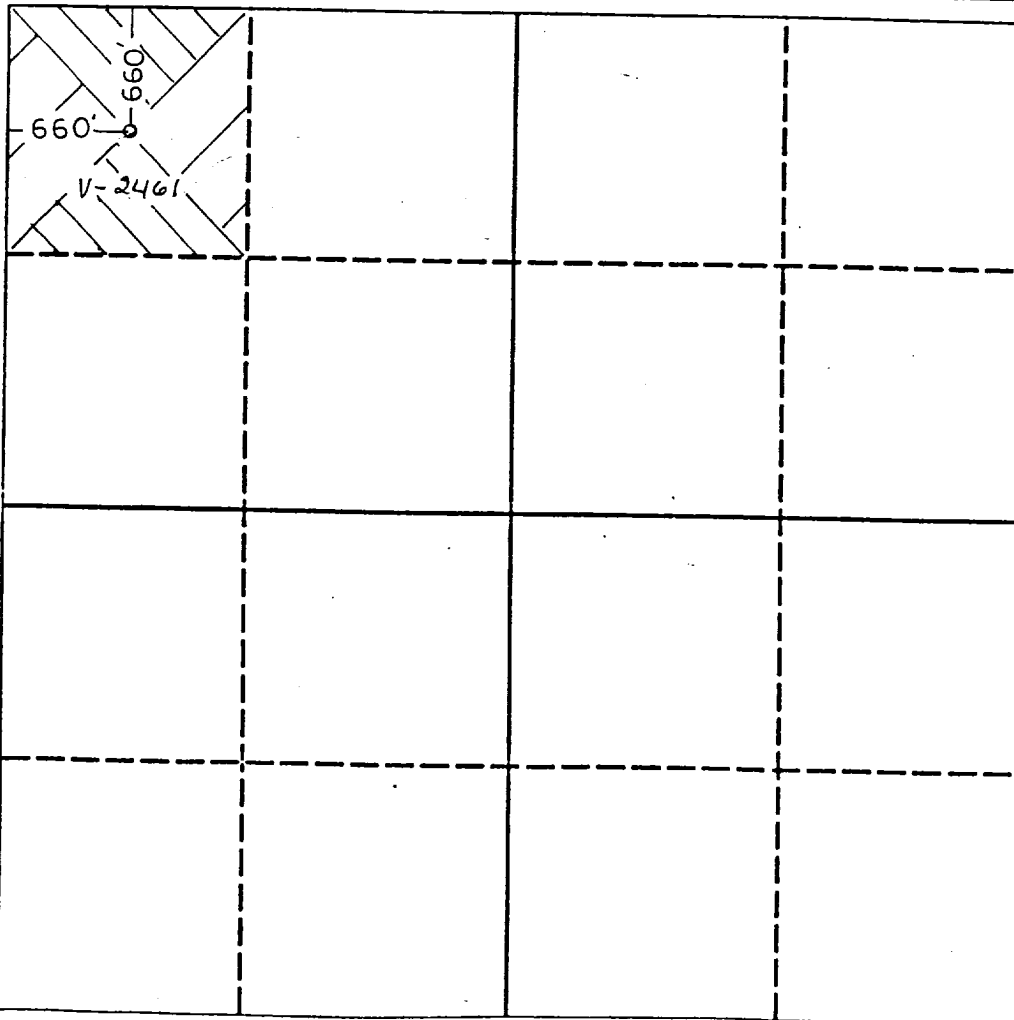
All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease ABALONE "AMB" STATE		Well No. 1
Unit Letter D	Section 26	Township 14 SOUTH	Range 33 EAST	County LEA	

Actual Footage Location of Well:

660 feet from the NORTH line and		660 feet from the WEST line	
Ground level Elev. 4209'	Producing Formation BOUGH	Pool SAUNDERS PERMO UPPER PENN	Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature Clifton R. May
Printed Name Clifton R. May
Position Permit Agent
Company YATES PETROLEUM CORPORATION
Date October 21, 1992

SURVEYOR CERTIFICATION

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 Refer to Original Plat
Signature & Seal of Professional Surveyor
Certificate No.

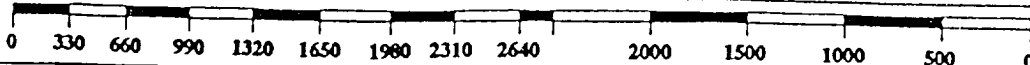
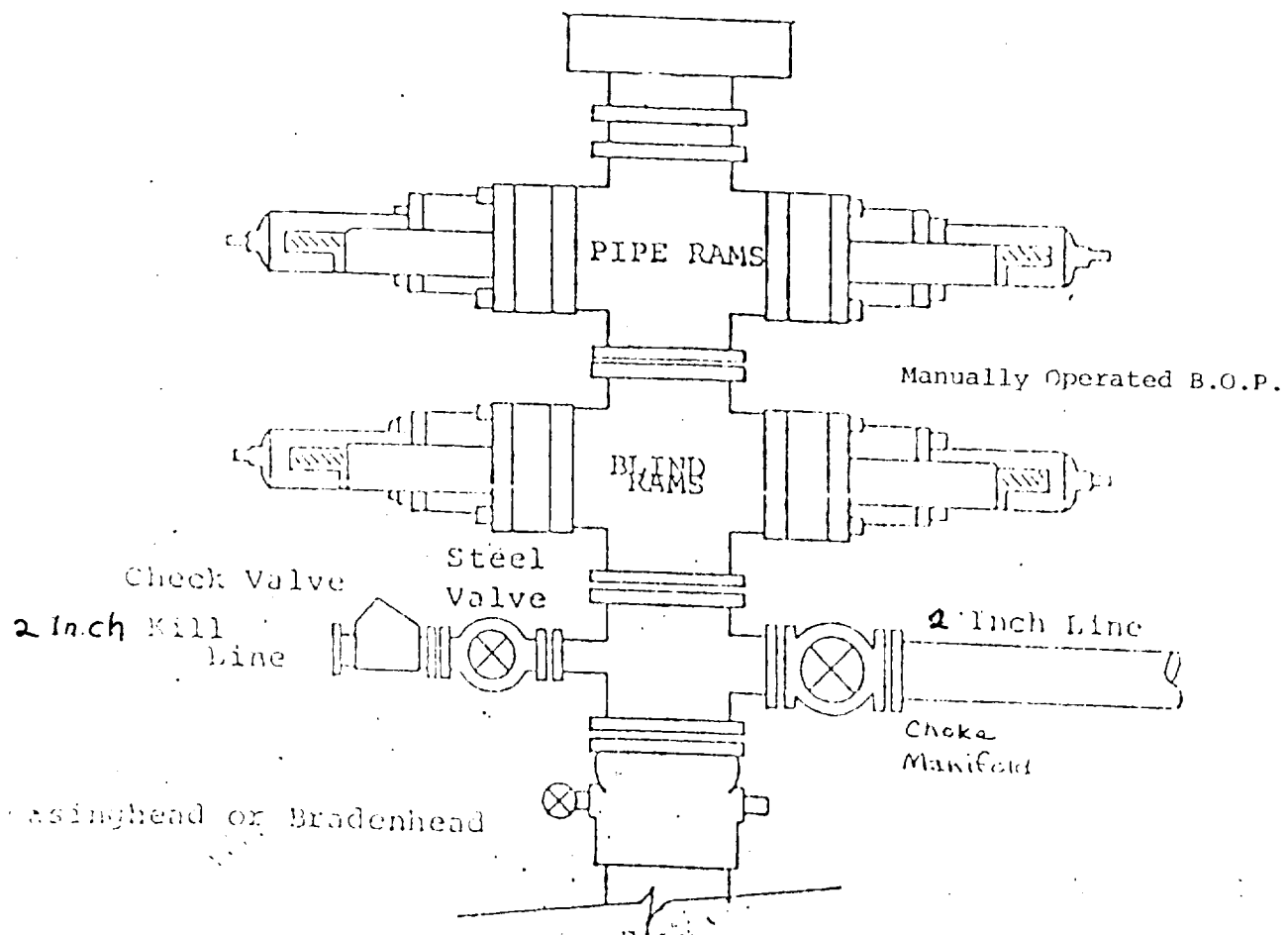


EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



RECEIVED

OCT 26 1992

OCD HOBBS