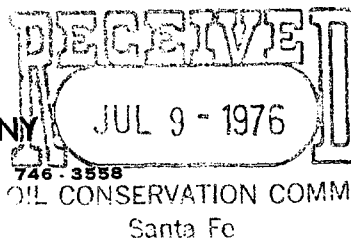


YATES DRILLING COMPANY

YATES BUILDING - 207 SOUTH 4TH ST. - (505) 746-3558



S. P. YATES,
PRESIDENT

B. W. HARPER,
SEC. TREAS.

JACK W. MCCAUL,
ASST. SEC. TREAS.

ARTESIA, NEW MEXICO - 88210

July 8, 1976

NSL - 782

OK for
immediate
approval

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

ATTENTION: R. L. Stamets

Re: Artesia Metex Unit Proposal
New Production Well-AMU #60

*Consequent
to Order
No.
R-4609*

Gentlemen:

Yates Drilling Company, as operator, hereby submits a request for administrative approval to drill an additional production well in the Artesia Metex Unit, Eddy County, New Mexico. The proposed well site is 1220 FNL and 1420 FWL of Section 30-T18S-R28E.

The applicable order relating to procedures under which additional wells are to be drilled in the Artesia Metex Unit is NMOCC Order No. R-4609, page 3 paragraph 6. Under the requirements of that paragraph we enclose the following:

6.(a) An Artesia Metex Unit plat showing location of the proposed well and offset wells. Note that all offset 40 acre locations are located within the Artesia Metex Unit area.

6.(b) A schematic drawing of the proposed well.

6.(c) Since all offset 40 acre locations are within the Unit area, no letters have been sent out to offset operators.

In addition, we enclose Form C-101, Application for Permit to Drill with accompanying staking plat.

Page 2 -
July 8, 1976

New Mexico Oil Conservation Commission

We are proposing this well in order to enhance recovery from the Unit. We intend to core the well to evaluate present waterflood response. In addition, the well will give us an opportunity to evaluate 20 acre well sites in this particular part of the Unit area. The proposed 40 acre drill site has one other well, AMU #32, an injection well.

We appreciate your consideration of this proposal.

Yours truly,

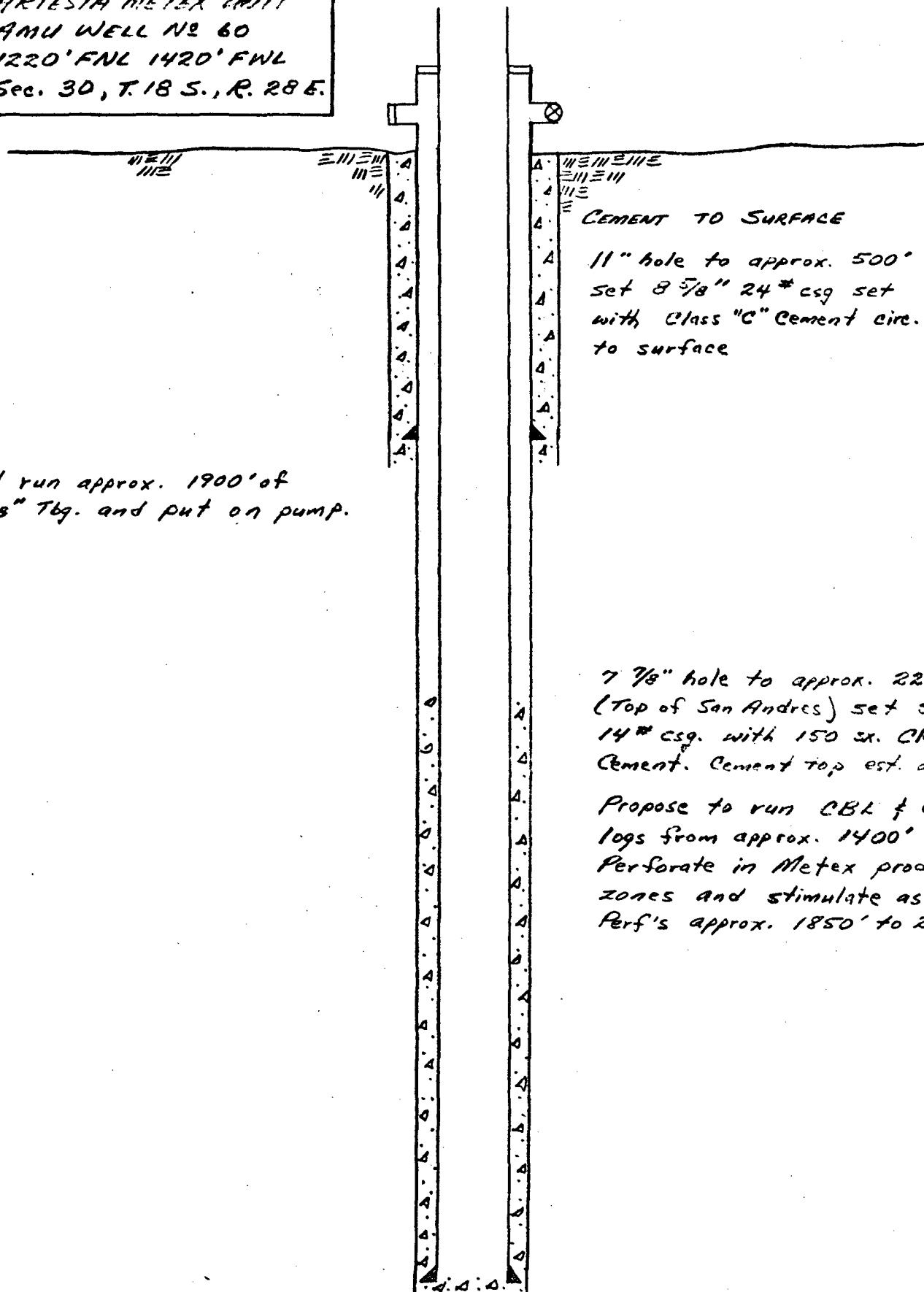
YATES DRILLING COMPANY

By 
Peyton Yates
Engineer

PY:jg
Encls.

DIAGRAMMATIC SKETCH **YDC - ARTESIA METEX UNIT WELL NO 60**

YATES DRILLING CO.
 ARTESIA METEX UNIT
 AMU WELL NO 60
 1220' FNL 1420' FNL
 Sec. 30, T. 18 S., R. 28 E.



Will run approx. 1900' of
 2 3/8" Tbg. and put on pump.

7 7/8" hole to approx. 2200'
 (Top of San Andres) set 5 1/2"
 14" csg. with 150 sx. Class "C"
 Cement. Cement top est. at 1500'
 Propose to run CBL & GRN
 logs from approx. 1400'
 Perforate in Metex producing
 zones and stimulate as needed
 Perf's approx. 1850' to 2100'.

| | |
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| OPERATOR | |

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

| | |
|---|------------------------------|
| 5A. Indicate Type of Lease | |
| STATE <input checked="" type="checkbox"/> | FEE <input type="checkbox"/> |

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | | | |
|---|--|--|--|---|--|
| 1a. Type of Work | | | | 7. Unit Agreement Name | |
| 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"/> | | | | 8. Farm or Lease Name Artesia Metex Unit | |
| 2. Name of Operator Yates Drilling Company | | | | 9. Well No. 60 | |
| 3. Address of Operator 207 So. 4th, Artesia, NM 88210 | | | | 10. Field and Pool, or Wildcat Artesia | |
| 4. Location of Well UNIT LETTER C LOCATED 1220 FEET FROM THE North LINE AND 1420 FEET FROM THE West LINE OF SEC. 30 TWP. 18S RGE. 28E NMPM | | | | 12. County Eddy | |
| 19. Proposed Depth Approx 2200' | | | | 19A. Formation Grayburg | |
| 21A. Kind & Status Plug. Bond Blanket | | | | 22. Approx. Date Work will start As soon as approved | |

23.

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|-----------|
| 11" | 8-5/8" | 24# | Approx 500' | | Circulate |
| 7-7/8" | 5 1/2" | 14# | " 2200' | 150 sx | |

It is our intention to drill a 11" hole to approx. 500'; set 8-5/8" 24# csg and circulate with Class "C" cement, then drill 7-7/8" hole to top of San Andres (approx 2200') and set 5 1/2" 14# csg with 150 sx Class "C" cement. Cement top est. at 1500'. Run CBL and GRN logs from approx. 1400' to TD. Perforate in Metex producing zones and stimulate as needed.

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 Rayton Yates Title Engineer Date 7/6/76
(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

**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.

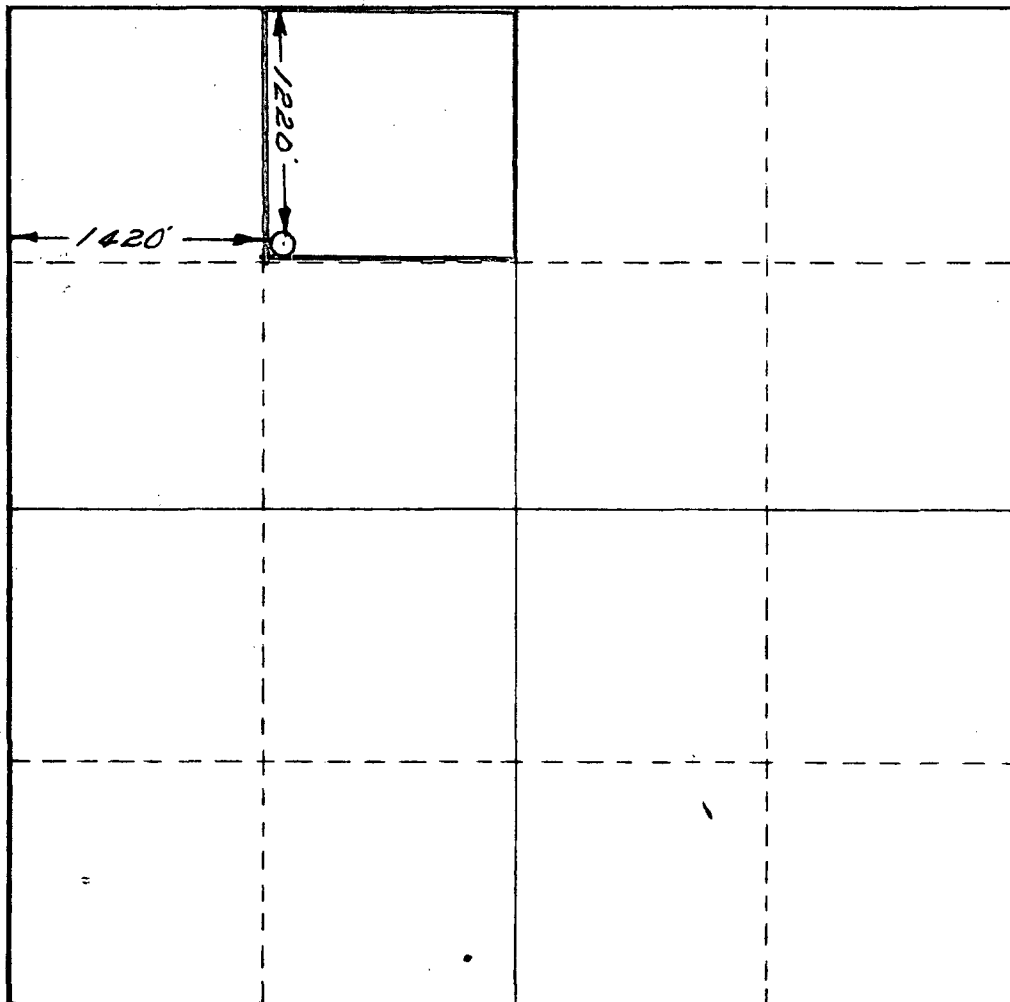
| | | | | | |
|---|--|--|------------------------------------|------------------------------|---------------------------------------|
| Operator YATES DRILLING COMPANY | | | Lease ARTESIA METEX UNIT | | Well No. 60 |
| Unit Letter "C" | Section 30 | Township 18 South | Range 28 East | County Eddy County | |
| Actual Footage Location of Well: | | | | | |
| 1220 feet from the North line and | | 1420 feet from the West line | | | |
| Ground Level Elev: 3562.0 | Producing Formation Grayburg | | Pool Artesia | | 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.

Peyton Yates
Name

Peyton Yates

Position
Engineer

Company
Yates Drilling Co.

Date
July 5, 1976

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
July 5, 1976

Registered Professional Engineer and/or Land Surveyor

Herschel Jones
Certificate No. **3640**

