

LAW OFFICES OF  
**SANDERS, BRUIN, COLL & WORLEY, P.A.**  
600 UNITED BANK PLAZA  
400 NORTH PENNSYLVANIA AVENUE  
POST OFFICE BOX 550  
ROSWELL, NEW MEXICO 88202-0550

JAMES L. BRUIN  
KENT CANADA  
KELLY M. CASSELS  
ROBERT V. COCHRANE  
CHARLES H. COLL  
ERIC J. COLL  
MARC DINGLER  
STEVEN P. FISHER  
RICHARD L. KRAFT  
DAMON RICHARDS  
MARK W. TAYLOR  
MICHAEL T. WORLEY

T. T. SANDERS, JR.  
OF COUNSEL

TELEPHONE  
505-622-5440

TELECOPIER  
505-622-5853

February 24, 1992

Oil Conservation Division  
NM Dept. of Energy & Minerals  
310 Old Santa Fe Trail  
Room 206  
Santa Fe, New Mexico 87504

Attention: Mr. Mike Stogner

*Case 2453*

Re: Letter of Application  
Unorthodox Location - Mojave "AJY" Com. #1  
Township 20-1/2 South, Range 23 East, N.M.P.M.  
Section 35: All  
Eddy County, New Mexico

Dear Mr. Stogner:

Yates Petroleum Corporation has drilled the Mojave "AJY" Com. #1 Well in the following described lands in Eddy County, New Mexico, to-wit:

Township 20-1/2 South, Range 23 East, N.M.P.M.

Section 35: All

The foregoing lands comprise approximately 344.92 acres, more or less. The mineral ownership interest is comprised of fee and federal acreage. The well was drilled 990 F.N.L and 660 F.E.L. of Section 35 to a total depth of 9,700 feet. Yates desires to complete the well in the Morrow Formation.

Please set for hearing the unorthodox location of the Mojave "AJY" Com. #1 Well on March 19, 1992.

Yours very truly,

SANDERS, BRUIN, COLL & WORLEY, P. A.

*Kelly Casals for:*  
Damon Richards

It

cc: Mr. Mecca Mauritsen  
Yates Petroleum Corporation

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

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

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

API NO. (assigned by OCD on New Wells)  
**21-015-26916**

5. Indicate Type of Lease  
 STATE  FEE

6. State Oil & Gas Lease No.

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, NM 88210

7. Lease Name or Unit Agreement Name  
 Mojave "AJY" Com

8. Well No.  
 1

9. Pool name or Wildcat  
 South Dagger Draw Upper Penn

4. Well Location  
 Unit Letter A : 990 Feet From The North Line and 660 Feet From The East Line

Section 35 Township 20 1/2S Range 23E NMPM Eddy County

10. Proposed Depth  
 8,100'

11. Formation  
 Canyon

12. Rotary or C.T.  
 Rotary

13. Elevations (Show whether DF, RT, GR, etc.)  
 3700'

14. Kind & Status Plug. Bond  
 Blanket

15. Drilling Contractor  
 Not Designated

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	1100'	1100 sx	Circulated
8 3/4"	7"	23# & 26#	TD	As warranted	
		J-55; N-80			

Yates Petroleum Corporation proposes to drill and test the Canyon in intermediate formations. Approximately 1100' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: FW gel/LCM to 1100'; FW to 5200'; cut Brine to TD.

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

APPROVED BY: 180  
7/7/92

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 1-6-92

TYPE OR PRINT NAME Ken Beardemphl TELEPHONE NO. 748-1471

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE JAN 7 1992

CONDITIONS OF APPROVAL, IF ANY:

NOTICE TO THE PUBLIC  
 THE STATE OF NEW MEXICO  
 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

Submit to Appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

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

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

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

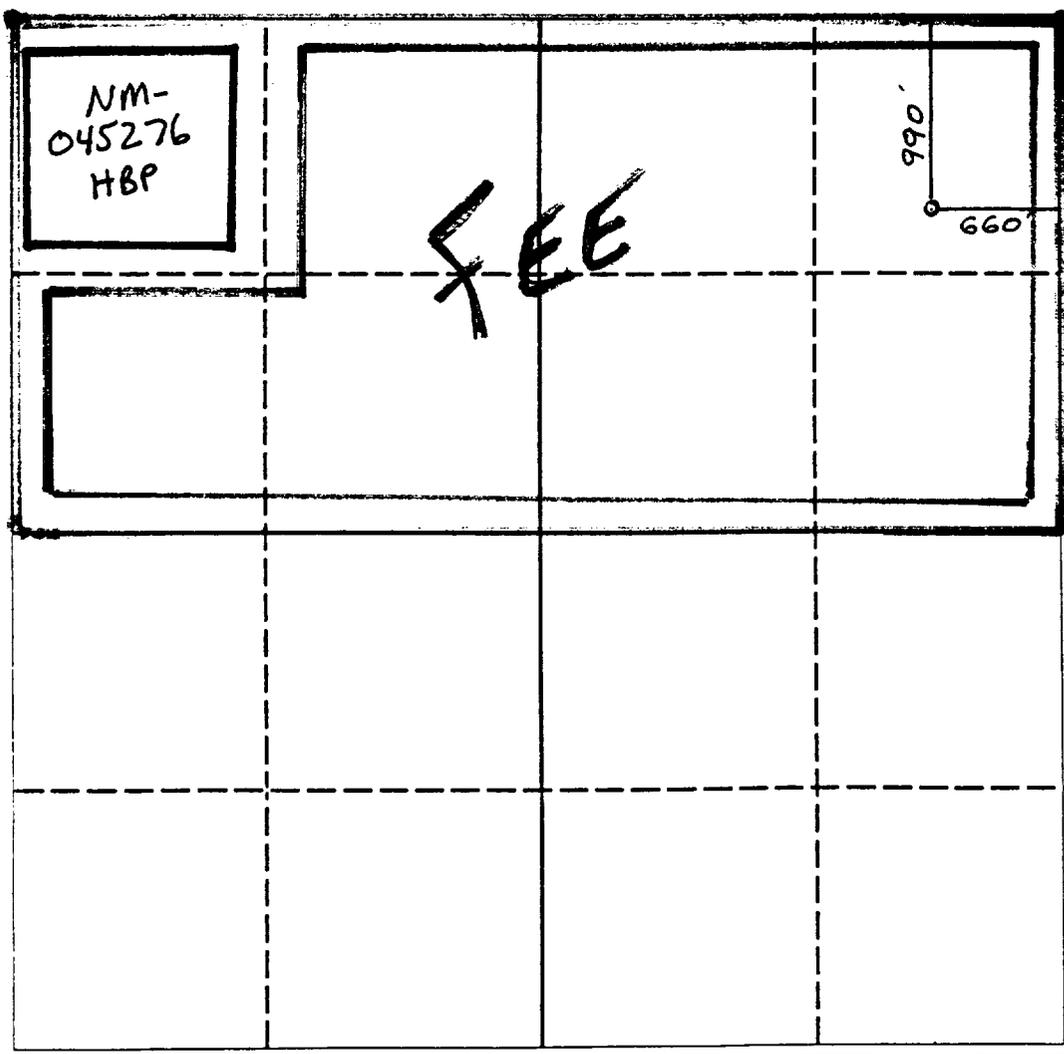
DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>MOJAVE AJY COM</b>		Well No. <b>1</b>
Unit Letter <b>A</b>	Section <b>35</b>	Township <b>20½ SOUTH</b>	Range <b>23 EAST</b>	County <b>EDDY COUNTY, NM</b>	
Actual Footage Location of Well: <b>990</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>EAST</b> line					
Ground level Elev. <b>3700.</b>	Producing Formation <b>Cisco Canyon</b>	Pool <b>S. Dagger Draw Upper Penn</b>	Dedicated Acreage: <b>320</b> Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. **298.82**
- 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 interest 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 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: *Ken Beardemphl*

Printed Name: **Ken Beardemphl**

Position: **Landman**

Company: **YATES PETROLEUM CORPORATION**

Date: **January 6, 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.

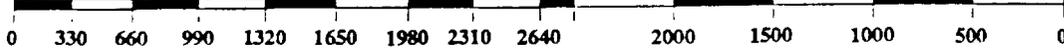
Date Surveyed: **DECEMBER 31, 1991**

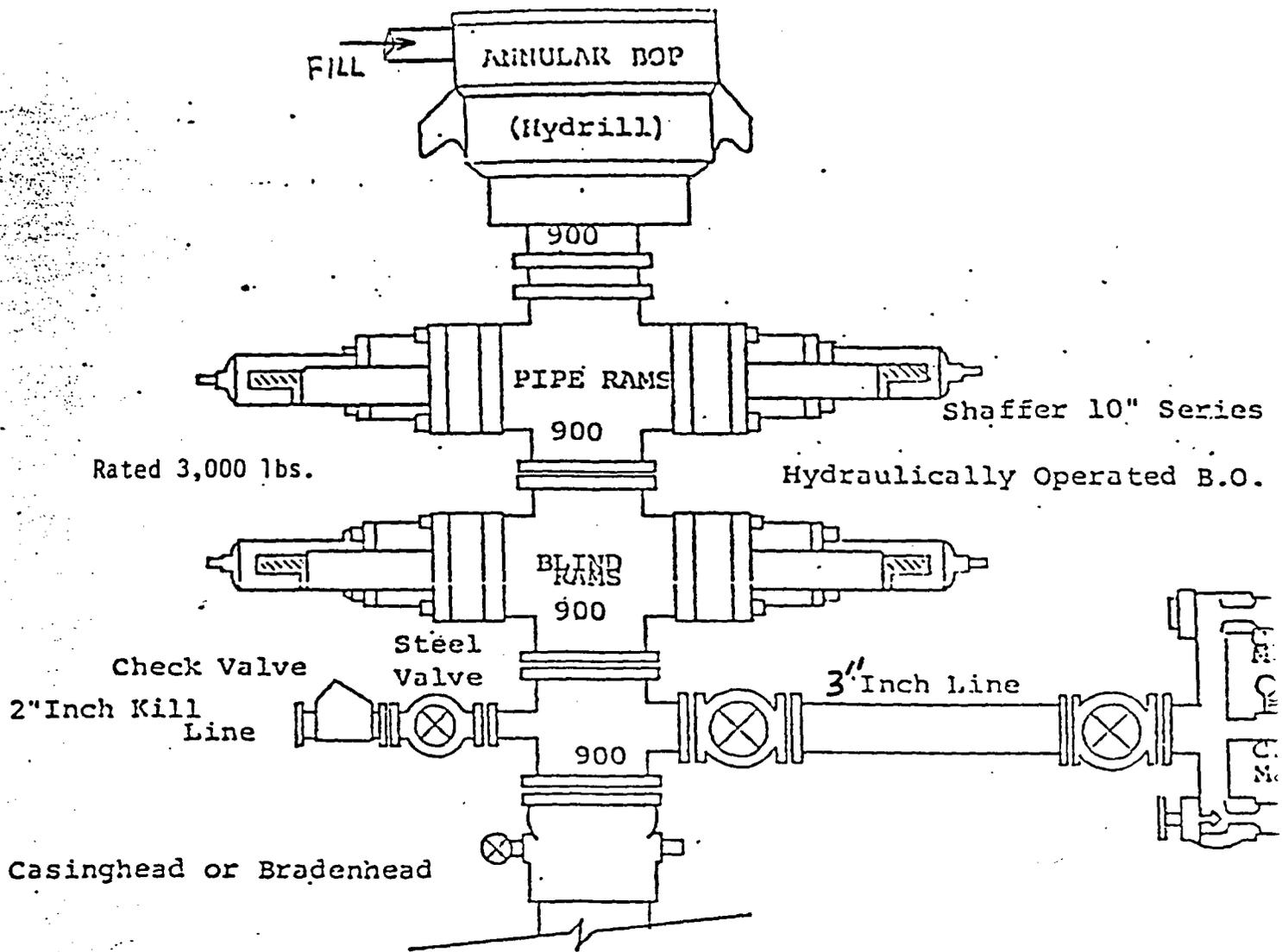
Signature: *Reade D D Y*  
 Professional Surveyor

**NEW MEXICO**  
 5412  
 PROFESSIONAL SURVEYOR

Certificate No. **5412**

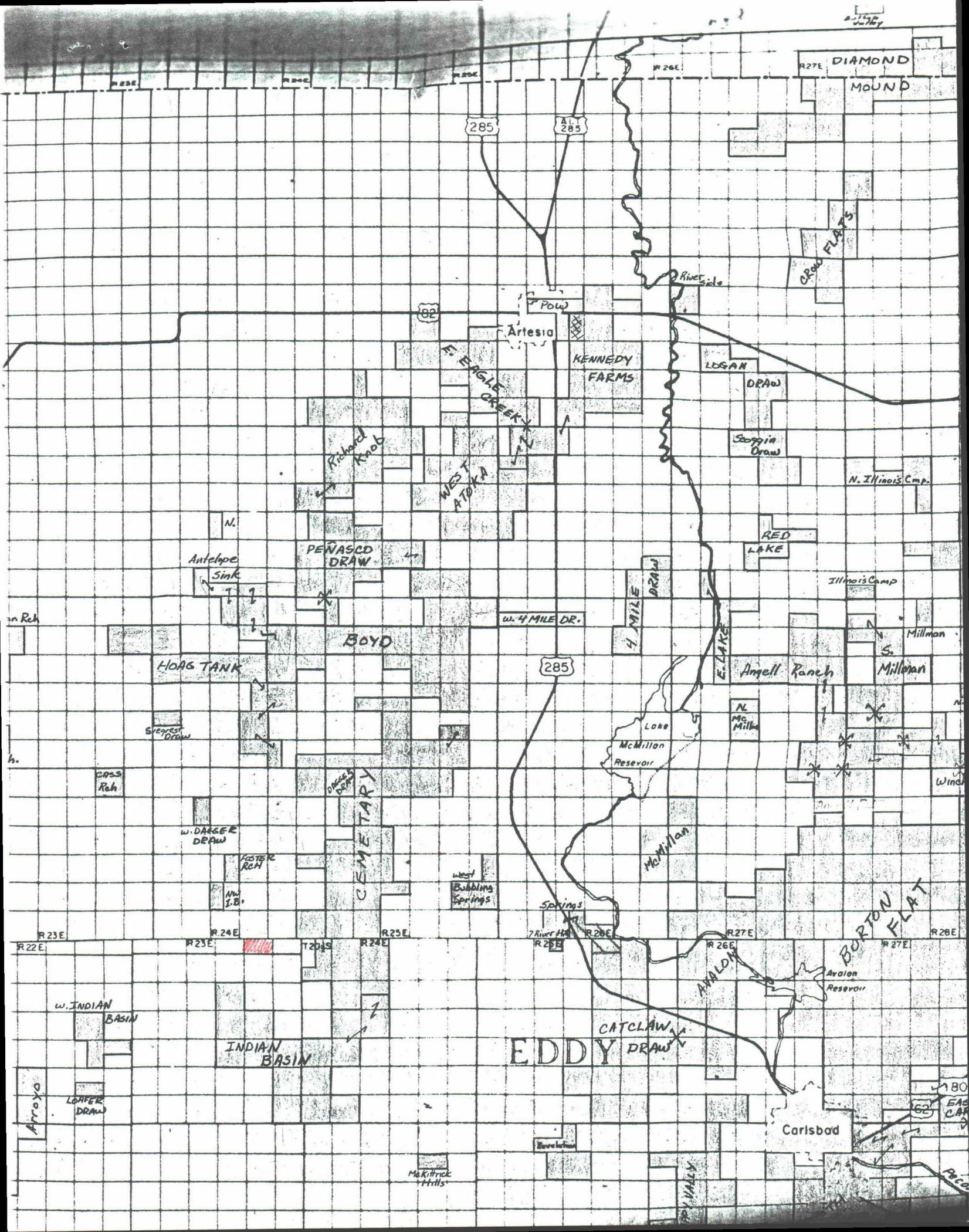
**NM PEAPS NO. 5412**  
 PROFESSIONAL SURVEYOR





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" 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 the 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.



DIAMOND MOUND

285 ALY 285

82

Artesia

KENNEDY FARMS

LOGAN DRAW

DRAW FLATS

F. EAGLE CREEK

Richard Knot

WEST ATOKA

Scoggin Draw

N. Illinois Camp

N.

Antelope Sink

PENASCO DRAW

RED LAKE

Illinois Camp

W. 4 MILE DR.

285

1 MILE DRAW

Amell Ranch

Millman

S. Millman

HOAG TANK

LORD McMillan Reservoir

N. Mc MILLAN

SIEGERS DRAW

CEMETARY

W. DARGER DRAW

FOSTER RCH

W. I.B.

W. BUBBLING SPRINGS

Springs

McMillan

R23E

R24E

R25E

R26E

R27E

R28E

W. INDIAN BASIN

INDIAN BASIN

EDDY DRAW

AVALON

BURTON FLAT

AVALON Reservoir

LOHFER DRAW

Carlsbad

Arroyo

McKILTRICK Hills

180 EAST CARLSBAD

