

API # 30-049-20038

Form 9-381 C
(May 1963)SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒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

207 South Fourth Street - Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

330' FNL & 330' FEL (Unit A)

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

13.5 miles south of Santa Fe, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

2560

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

Approx. 4000'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, or ENGINE OPERATIONS AUTHORIZED ARE

6320' GR

SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*

ASAP

23.

GENERAL REQUIREMENTS AND CEMENTING PROGRAM

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
17-1/2"	13-3/8"	48# J-55	Approx. 350'	350 sacks - circulate
7-7/8"	5-1/2"	15.5# J-55	TD	250 sacks

We propose to drill and test the Entrada and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW gel/LCM to 350', FW gel/driskpak to TD.

BOP PROGRAM: BOP's will be installed after setting the 13-3/8" and tested daily.

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. Give blowout preventer program, if any.

24.

SIGNED

Cy Coman

TITLE Regulatory Agent

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

APPROVED 31. 1985

AS AMENDED

DEC 31 1985

/s/ J. Grant Moore

M. MILENBACH

AREA MANAGER

*See Instructions On Reverse Side

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

Operator YATES PETROLEUM CORPORATION			Lease LAMESA UNIT		Well No. 3
Unit Letter A	Section 13	Township 15N	Range 8E	County Santa Fe	
Actual Footage Location of Well: 330 feet from the North line and 330 feet from the East line					
Ground Level Elev. 6320'		Producing Formation Entrada		Pool Wildcat	
				Dedicated Acreage: 40	Acreage

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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation unitized

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 Division

RECEIVED

NOV 04 1985

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

CERTIFICATION

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

Name

Cy Cowan

Position

Regulatory Agent

Company

Yates Petroleum Corporation

Date

October 31, 1985

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

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

Note
CERTIFIED C-102
IS BEING COMPLETED
AND WILL BE
FORWARDED
SEPARATELY

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600 6930 7260 7590 7920 8250 8580 8910 9240 9570 9900 0

YATES PETROLEUM CORPORATION
LaMesa Unit #3
330' FNL and 330' FEL of
Section 13-15N-8E
Santa Fe County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Company submits the following ten items of pertinent information in accordance with BLM and Santa Fe County requirements.

1. The geologic surface formation is tertiary.

2. The estimated tops of geologic markers are as follows:

Tertiary	Surface
Basin Tertiary Non Conformity/Dakota	2480'
Morrison	2830'
Todilto	3500'
Entrada	3590'
TD	4000'

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

Water: 100-150'

Oil or Gas: Dakota - 2480' (oil & gas) and Entrada - 3590' (oil)

4. Proposed Casing Program: See Form 9-331C.

5. Pressure Control Equipment: See Form 9-331C.

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: 10' samples caught out from under surface casing to TD

DST's: As warranted

Coring: None

Logging: FDC-CNL density, dual induction, dipmeter, sonic log, litho-density
cyberlook and mud log

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
YATES PETROLEUM CORPORATION
LaMesa Unit #3
330' FNL and 330' FEL of
Section 13-15N-8E
Santa Fe County, New Mexico
(Wildcat Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 13.5 miles south of Santa Fe, New Mexico and the access route to the location is indicated in red and green.

DIRECTIONS:

1. Proceed 5-1/2 miles south on State Road 14.
2. Turn east on private road for approximately 1-1/3 miles, then turn north.
3. Go for 1 mile to the Lone Ranger water well. The new road will start here going north.

2. PLANNED ACCESS ROAD.

- A. There will be approximately 1800' of new access road. (See Exhibit A & A')
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be bladed with drainage on one side. No turnouts will be built.
- D. The route of the road is visible.

3. LOCATION OF EXISTING WELL.

- A. There is no drilling activity within a one-mile radius of the wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. No construction materials will be needed. Location and road will be watered and bladed.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface is slightly sloping to the southwest.
- C. The reserve pits will be plastic lined.
- D. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Operator/Landowner Agreement (See 11E) will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is fairly flat. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover on wellsite consists of mesquite, native grasses and miscellaneous desert growth. No wildlife was observed but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. Waterways: None
- D. There are no inhabited dwellings in the vicinity of the proposed wellsite.
- E. Surface Ownership: The wellsite is on federal minerals and private surface. Surface is owned by Rancho Viejo, c/o Leland Thompson, Jr., P. O. Box 1345, Santa Fe, NM 87504. In a phone conversation with Mr. Leland Thompson, we agreed to compensate them monetarily for the surface used to drill and produce this well. If a dry hole, we will rip location and allow to reseed naturally.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representatives responsible for assuring compliance with the approved surface use plan are:

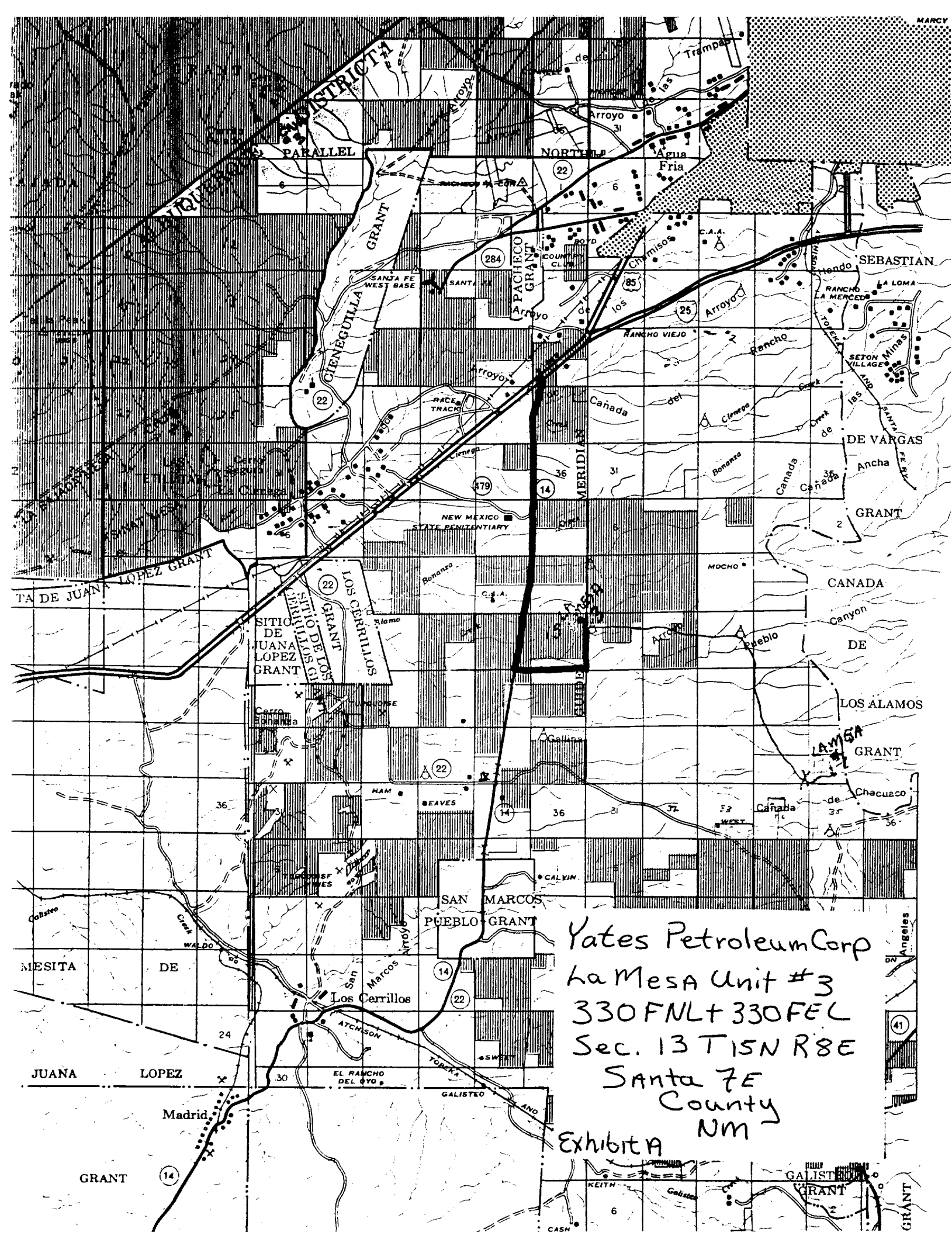
Cy Cowan or Clifton May
Yates Petroleum Corporation
207 S. 4th Street
Artesia, New Mexico 88210
(505) 746-3558

13. CERTIFICATION.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

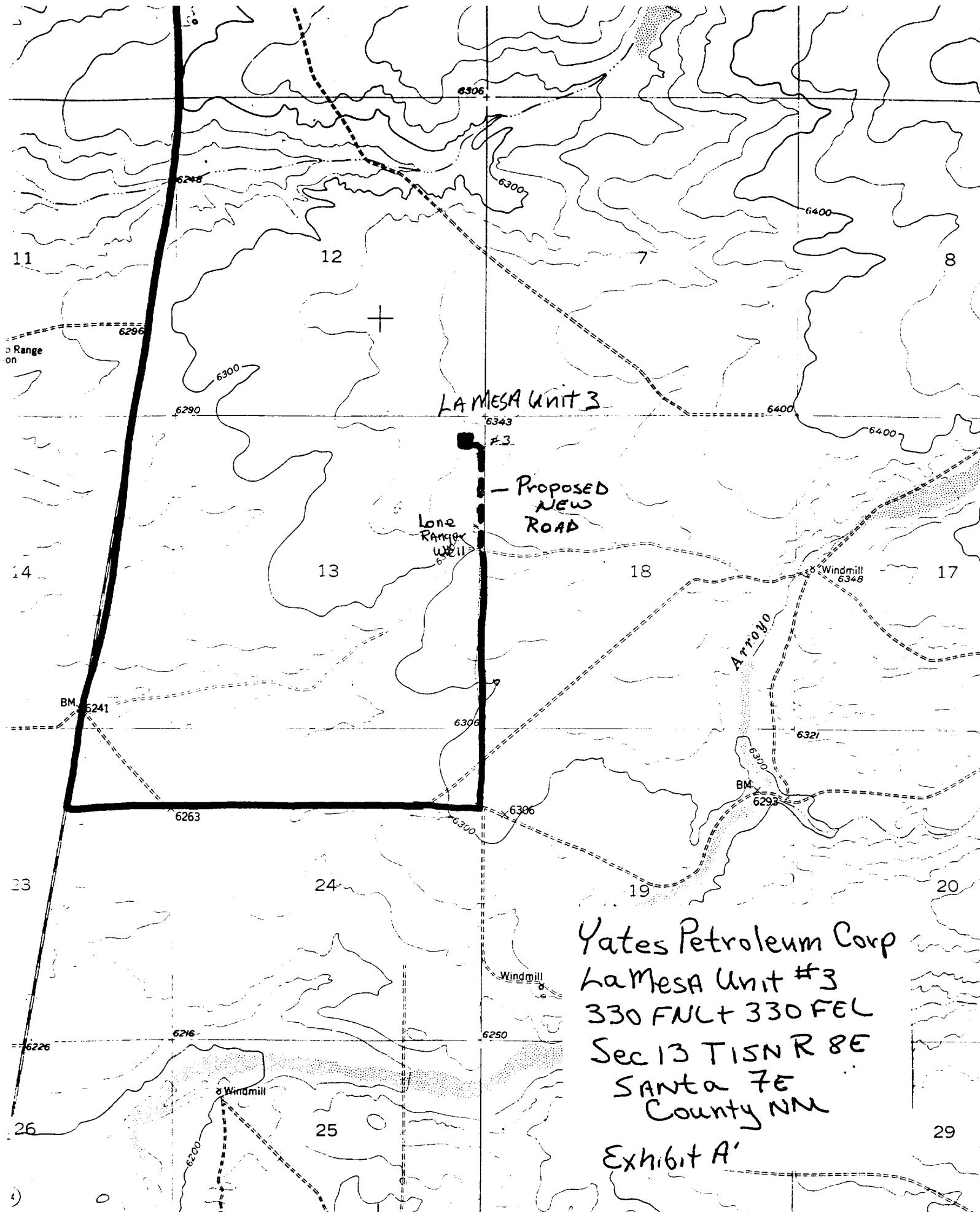
10/31/85
Date

Cy Cowan
Cy Cowan
Regulatory Agent



Yates Petroleum Corp
La Mesa Unit #3
330 FNL + 330 FEL
Sec. 13 T15N R8E
Santa Fe
County
NM

Exhibit A

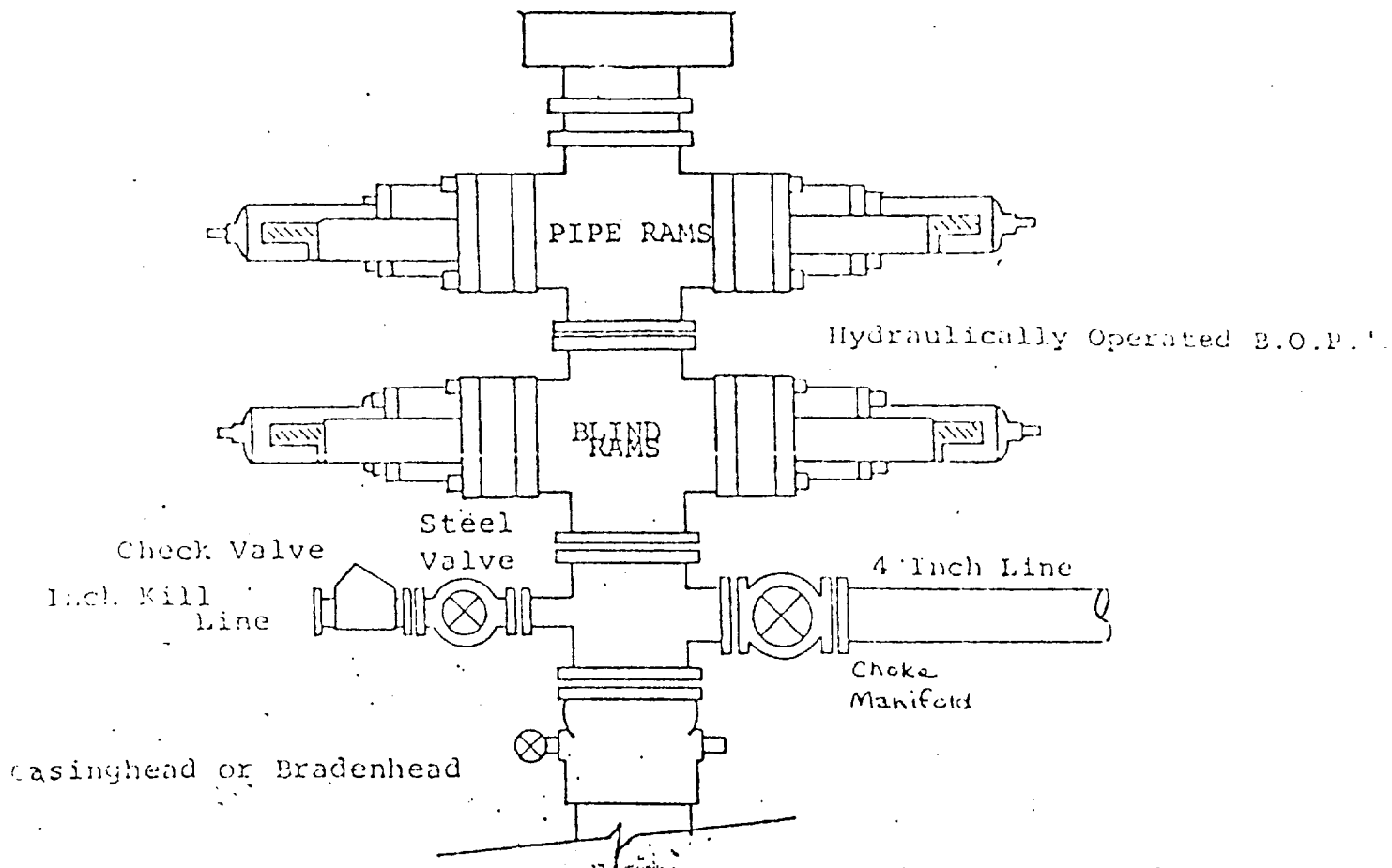


Yates Petroleum Corp
La Mesa Unit #3
330 FNL + 330 FEL
Sec 13 T15N R 8E
Santa Fe
County NM
Exhibit A'

EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



STATES PETROLEUM CORP.

Exhibit C

