

COPY
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-60639

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 S. 4th Street, Artesia, NM

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

At surface

1980' FNL & 1980' FWL

At proposed prod. zone

Same

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

31 miles north and 15 miles east of Roswell, NM ARTESIA OFFICE

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

1980

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

240

19. PROPOSED DEPTH

4250'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3896'

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

Lease expires 1-31-80

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------------|----------------|-----------------|---------------|--------------------|
| 17 1/2" | 13 3/8" | 48# J-55 | approx. 400 | 350 sx circulated |
| 12 1/4" or 11 | 8 5/8" | 24# J-55 | approx 1500 | 800 sx circulated |
| 8 3/4" or 7 7/8 | 4 1/2" | 15.5 or 10.5# | TD | 250 sx |

We propose to drill and test the ABO and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel, and caving. Casing will be set and cement circulated to shut off gravel and caving. Casing will be set 100' below the water zone. If commercial will run production casing and cement will adequate cover, perforate, and stimulate as needed for production. 8 5/8 will be run only if hole conditions require it.

MUD PROGRAM: FW gel and LCM to 1500' - Brine KCL to 3300' - KCL drispack and starch to 4250'. MW 10-10.2, Vis 34-39, WL 14-7

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

GAS NOT DEDICATED.

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

G. L. R. R. R.

TITLE

Geographer

DATE

1-11-80

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

1-22-80

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT

Form C-102
Supersedes C-128
Effective 1-1-65

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

| | | | | | | | | |
|--|-----------------------------------|----------------------------|--------------------------------------|-------------------------|-------------------------|---------------------------------|--|--|
| Operator YATES PETROLEUM CORPORATION | | | Lease Globe MN Federal Com | | | Well No. 1 | | |
| Unit Letter F | Section 1 | Township 5 South | | Range 24 East | County Chaves | | | |
| Actual Footage Location of Well: | | | | | | | | |
| 1980 feet from the North line and 1980 feet from the West line | | | | | | | | |
| Ground Level Elev. 3896 | Producing Formation ABO | | Pool UNDES. | | | Dedicated Acreage 160 | | |

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?

RECEIVED

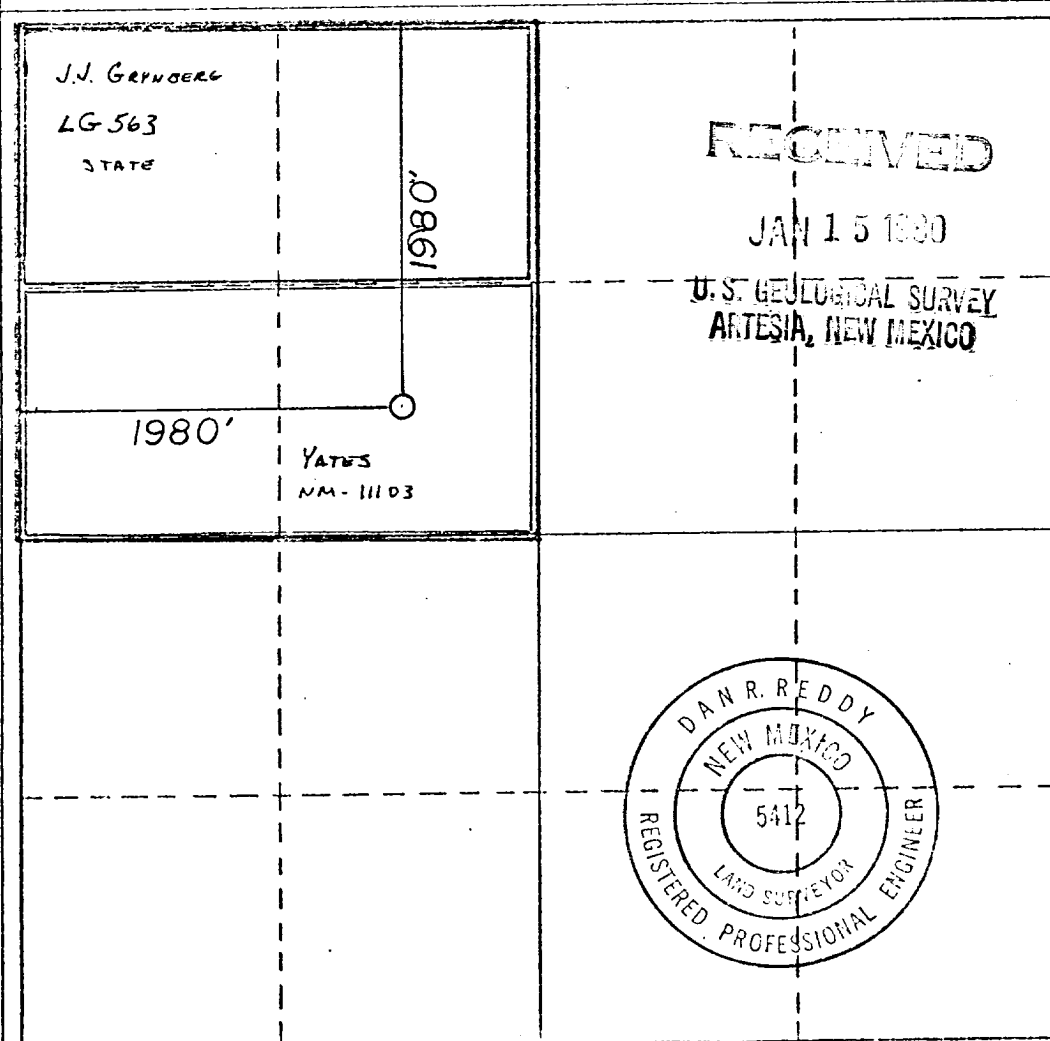
JAN 23 1980

ARTESIA OFFICE

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

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.

Gliserio Rodriguez
Name

GLISERIO RODRIGUEZ
Position

GEOGRAPHER
Company

YATES PETROLEUM CORP.
Date

1-10-80

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

Dec. 6, 1979

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PE&LS #5412

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



UNITED STATES
United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

RECEIVED

JAN 23 1980

G. C. D.
ARTESIA, OFFICE

January 22, 1980

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

YATES PETROLEUM CORPORATION
Globe "MN" Fed No. 1
1980 FNL 1980 FWL Sec. 1 T.5S R.24E
Chaves County Lease No. NM 11103

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 4,250 feet to test the Abo formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
5. Cement behind the 13-3/8" casing must be circulated.
6. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

Albert R. Stall
Acting District Engineer



Yates Petroleum Corporation
Globe "MN" Federal #1
1980' FNL and 1980 FWL
Section 1-T5S-R24E
Chaves County, New Mexico

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JAN 15 1980

U.S. GEOLOGICAL SURVEY
ARTESIA, 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 sandy alluvium.
2. The estimate tops of geologic markers are as follows:

| | |
|-----------|------|
| Glorietta | 1466 |
| Abo | 3466 |
| T.D. | 4250 |

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

Water: 270-320'

Oil or Gas: Abo

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 T.D.
DST's: As Warranted
Logging: Surface casing to T.D.
Coring: CNL-FDC T.D. to casing with GR-CNL on to surface and
D11 from T.D. to casing
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

Yates Petroleum Corporation
Globe "MN" Federal #1
Section 1 - T5S - R24E
1980' FNL and 1980' FWL
(Exploratory 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, the construction activities and operations plan, the 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 drilling of this well.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the roads in the vicinity of the proposed location. The proposed wellsite is located approximately 32 miles NNE of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed north from Roswell on Highway 285 for a distance of approximately 31 miles.
2. Turn east for approximately 8 miles and continue NE for 15 miles. 1/2 mile past the Huggins Draw turn SW for 1/3 mile to a little watering tank.
3. Turn south on the ranch road and follow it for a mile, then go north for 1/3 of a mile. The new road will start here.

2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 400' in length from point of origin to the southwest edge of the drilling pad. The road will lie in a west-to-east direction.
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be bladed with no caliche. Turnouts will be built.
- D. The route of the road is visible as we will follow the old ranch road.

3. LOCATION OF EXISTING WELL.

- A. There are no existing wells within a mile of 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 of 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 the ranches and trucked to the location.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. No material will be required for construction of the drilling pad and the new access road. It will be a scrap out.

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 to the USGS for appropriate approval.
- D. Oil produced during operation 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 of 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 on a very minor slope so hardly any cut and fill will be needed.
- C. The reserve pits will be plastic lined.
- D. A 400' X 400' area and road 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 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 requirements of the BLM and the USGS will be complied with and will be as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is sloping. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover consists of tobosa, terpetine, pepper weed, and some mesquite. 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. The Pecos River is approximately three and a half miles east.
- D. There are no inhabited dwellings but there are windmills within a mile of the vicinity of the proposed well.
- E. Surface Ownership: The wellsite is on federal surface and minerals.
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

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

Gliserio "Rod" Rodriguez
Yates Petroleum Corporation
207 South 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 Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

1-11-80

Date

Gliserio Rodriguez

Gliserio Rodriguez, Geographer

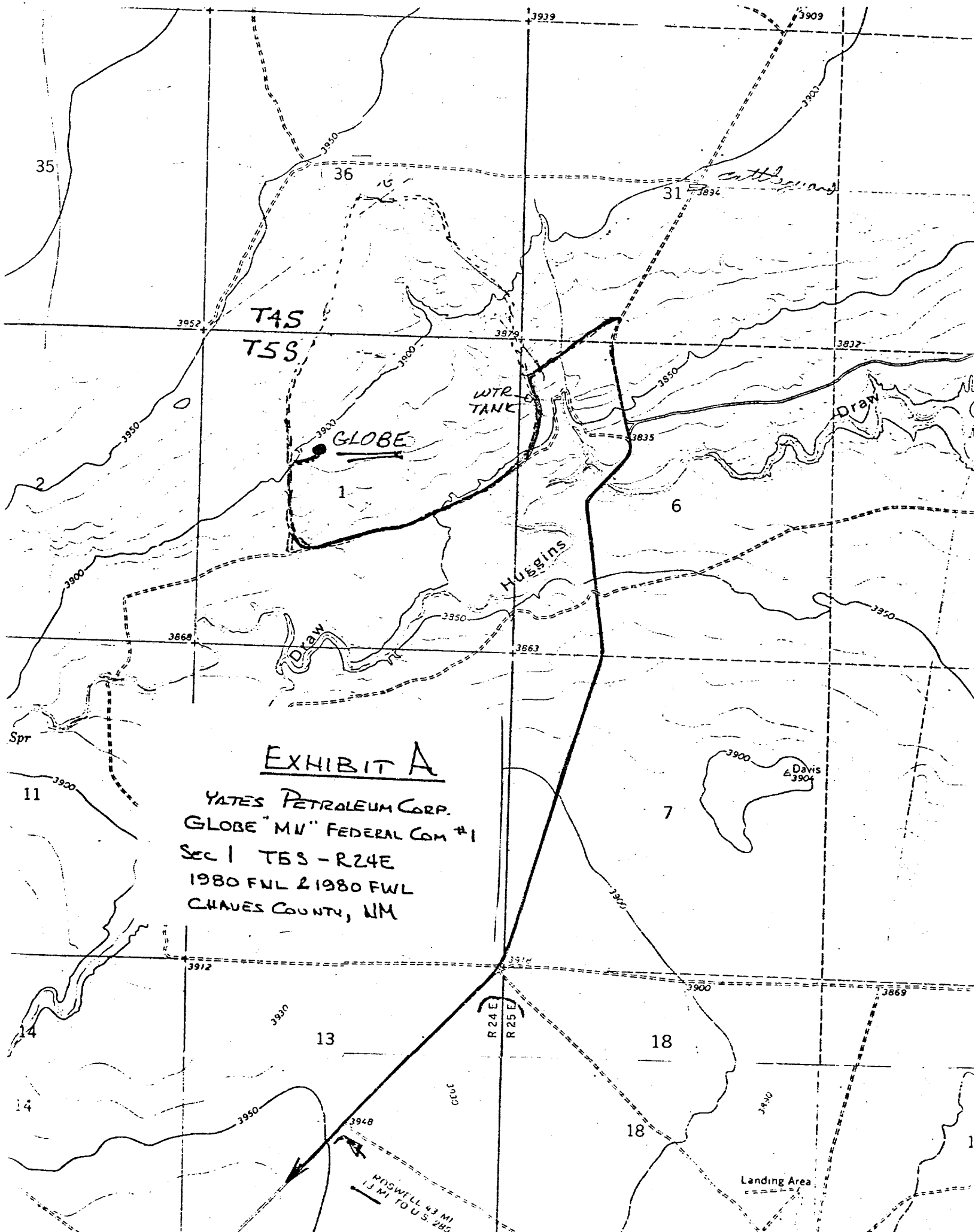
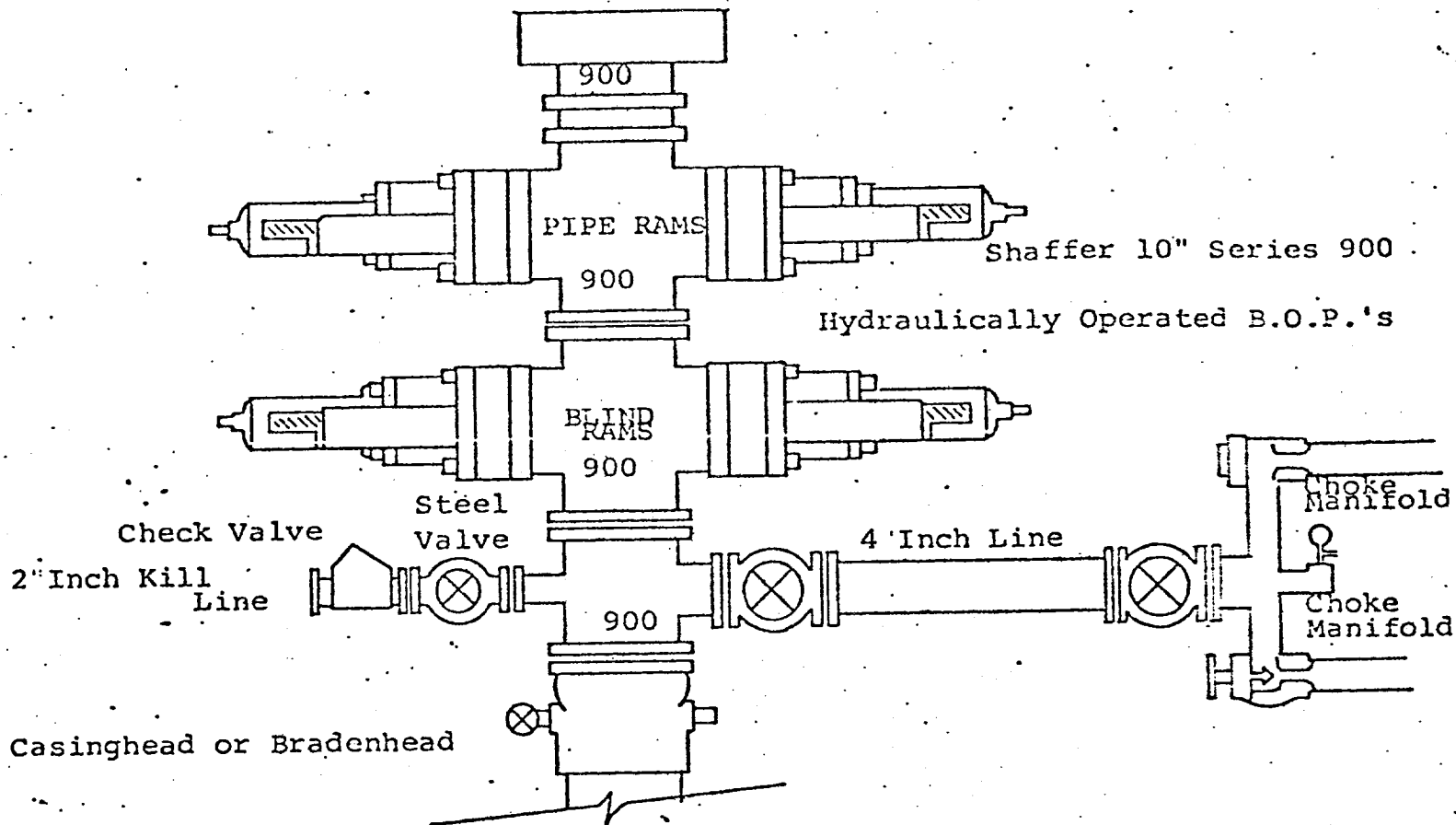


EXHIBIT B



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

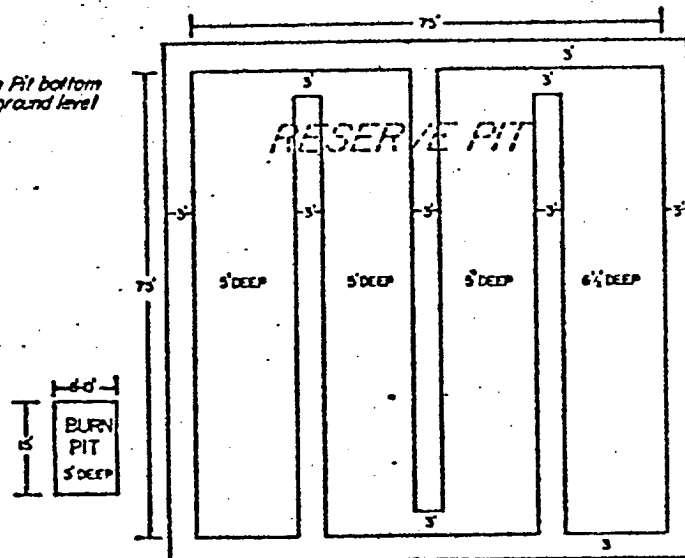
1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers 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 that 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. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

EXHIBIT C

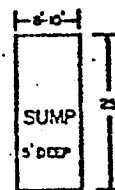
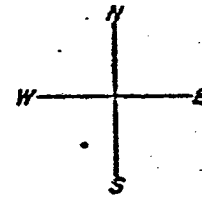
YATES PETROLEUM CORP

0-6000 FT.

Reserve Pit bottom
to be at ground level
to -1 ft.



NOTE:
Inside walls must be as
high and wide as outer
walls of pit.



PAD LAYOUT

