

UNITED STATES
DEPARTMENT OF THE INTERIOR

30-005-61456 RECEIVED

C/SF

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

2. NAME OF OPERATOR
 Yates Petroleum Corporation

3. ADDRESS OF OPERATOR
 207 W. 4th St. Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface: 660' FNL and 660' FEL
 At proposed prod. zone: Same

5. LEASE DESIGNATION AND SERIAL NO.
 NM-2357

6. IF INDIAN, ALLOTMENT OR TRUST NO.
 MAR 5 1982

7. UNIT AGREEMENT NAME
 C. D. ARTESIA, OFFICE

8. FARM OR LEASE NAME
 Federal "HJ"

9. WELL NO.
 6

10. FIELD AND POOL, OR WILDCAT
 Undesignated Abo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Section 31-T6S-R26E

12. COUNTY OR PARISH
 Chaves

13. STATE
 New Mexico

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 42 miles northeast of Roswell, New Mexico by road.

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 660'

16. NO. OF ACRES IN LEASE
 1140

17. NO. OF ACRES ASSIGNED TO THIS WELL
 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
 2900'

19. PROPOSED DEPTH
 4275'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 3665.6 GR

22. APPROX. DATE WORK WILL START*
 ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	40.5# J-55	Aprox. 950'	625 Sx Circulated
7 7/8"	4 1/2"	10.5#	4275'	350 Sx

We propose to drill and test the Abo and intermediate formations. Approximately 950' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 7" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. Temperature survey will be run to determine cement top. If commercial, production casing will be run and cemented with adequate cover, perforate, and stimulate as needed for production.

MUD PROGRAM: FW Gel and LCM 950'. Brine to 3200'. Brine and KCL water to TD.

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

Gas not dedicated.

Posted ID-1
API + NL Book
3-12-82

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MAR 1 1982

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. State without preventive program, if any.

SIGNED: George Smith Agent for: Yates Petroleum Corp. DATE: February 25, 1982

(This space for Federal or State office use)

PERMIT NO. APPROVED APPROVAL DATE

APPROVED BY: JAMES A. CILLHAM DISTRICT SUPERVISOR
 TITLE: APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED DATE

MAR 4 1982

*See Instructions On Reverse Side

MEXICO OIL CONSERVATION COMMI.
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.

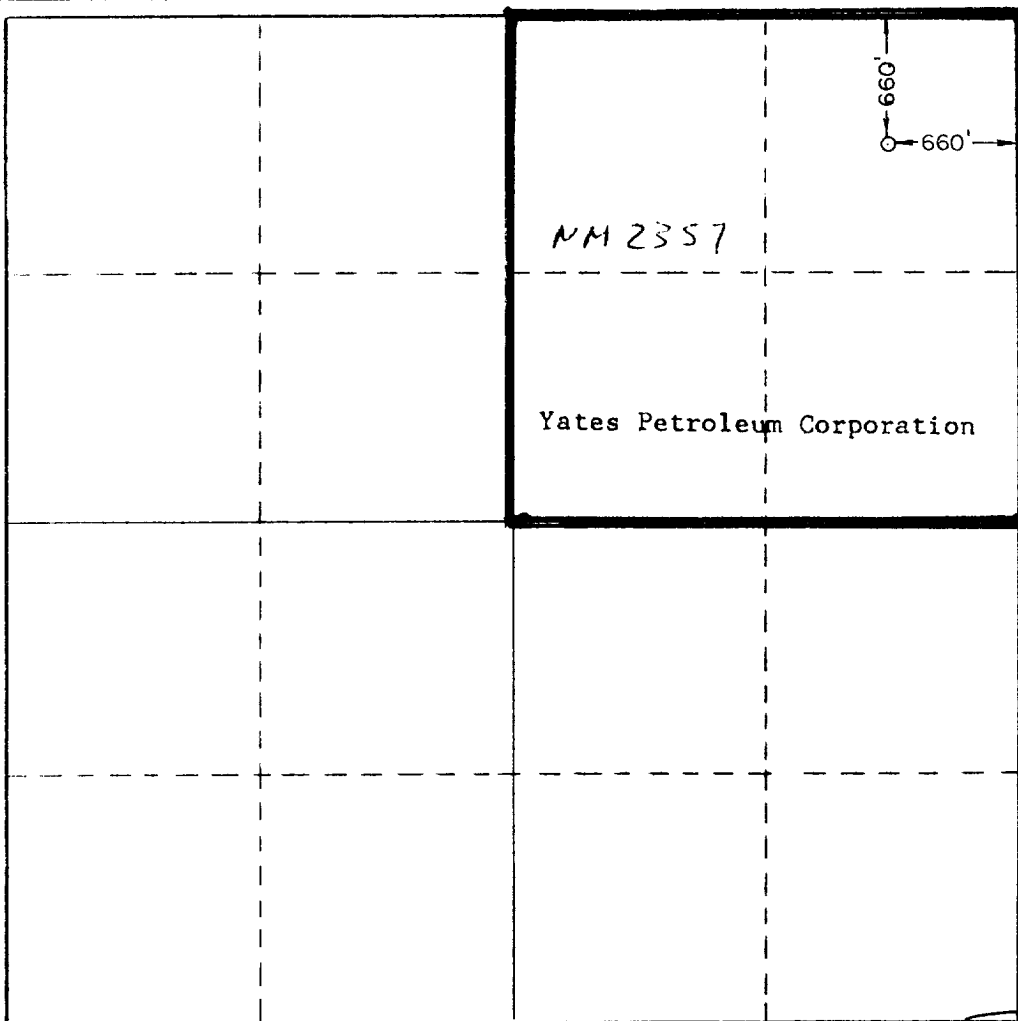
Operator YATES PETROLEUM CORPORATION			Lease Federal "HJ"		Well No. 6
Unit Letter A	Section 31	Township 6 South	Range 26 East	County Chaves	
Actual Footage Location of Well: 660 feet from the North line and 660 feet from the East line					
Ground Level Elev. 3665.6'	Producing Formation Abo		Pool Undes. Pecos Slope Abo		Dedicated Acreage: 160 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.



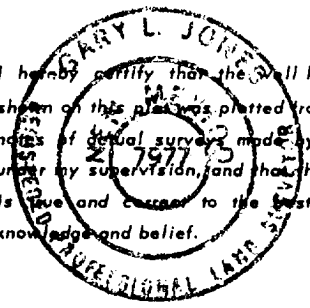
CERTIFICATION

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

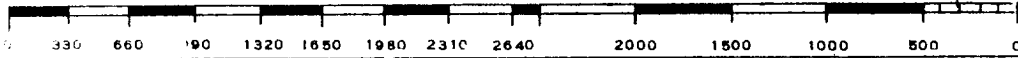
Gliserio Rodriguez

Name Gliserio Rodriguez
Position Regulatory Manager
Company Yates Petroleum Corporation
Date 2/18/82

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 2/17/82
Registered Professional Engineer and/or Land Surveyor <i>Gary L. Jones</i>
Certificate No. 7977



APPLICATION FOR DRILLING

YATES PETROLEUM CORPORATION
Federal "HJ", Well No. 6
660' FNL & 660' FEL, Sec. 31-T6S-R26E
Chaves County, New Mexico
Lease No.: NM-2357
(Exploratory Well)

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is Permian with quaternary alluvium and other surficial deposits.
2. The estimated tops of geologic markers are as follows:

San Andres	773'
Glorieta	1586'
Fullerton	2861'
Abo	3656'
T. D.	4275'
3. The estimated depth at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Approximately 250 - 300 feet for surface water.
Oil:	The San Andres at approximately 1000'.
Gas:	The ABO at approximately 3685'.
4. Propose Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit "E".
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock, pit level monitor and flow sensor equipment, sub with full-opening valve on floor, drill pipe connections.
8. Testing, Logging and Coring Program:

Samples:	Surface casing to TD.
Drill Stem Tests:	As warranted.
Coring:	As warranted.
Logging:	CNL-FDC TD to surface casing.
	GR-CNL TD to surface.
	DLL TD to surface casing.
9. No abnormal pressures or temperatures are anticipated. In the event abnormal pressures are encountered, the proposed mud program will be modified to increase the mud weight.
10. Anticipated starting date: As soon as possible after approval.
Anticipated completion of drilling operations: Approximately 10 days.

T65

T75

T85

T95

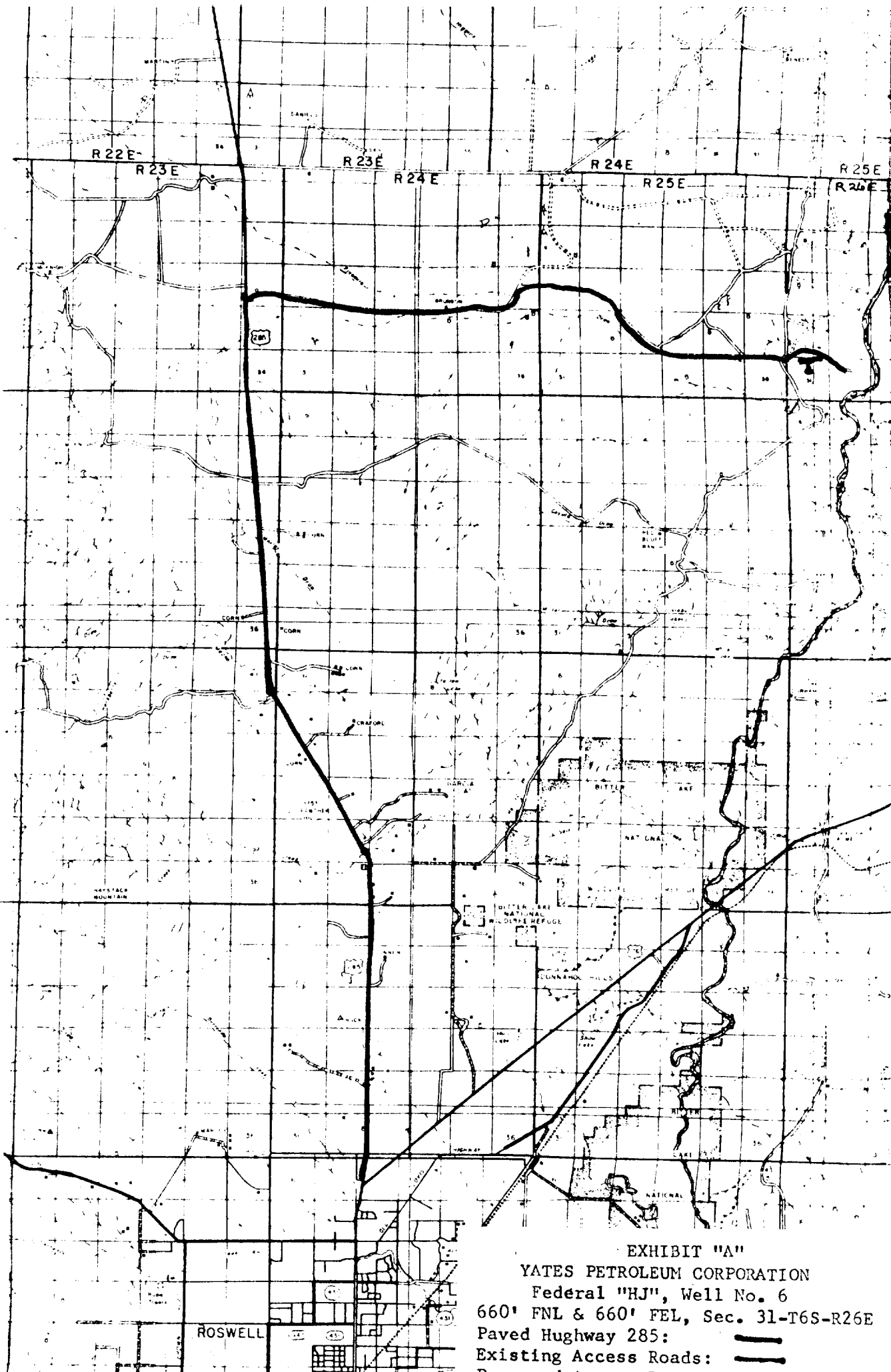



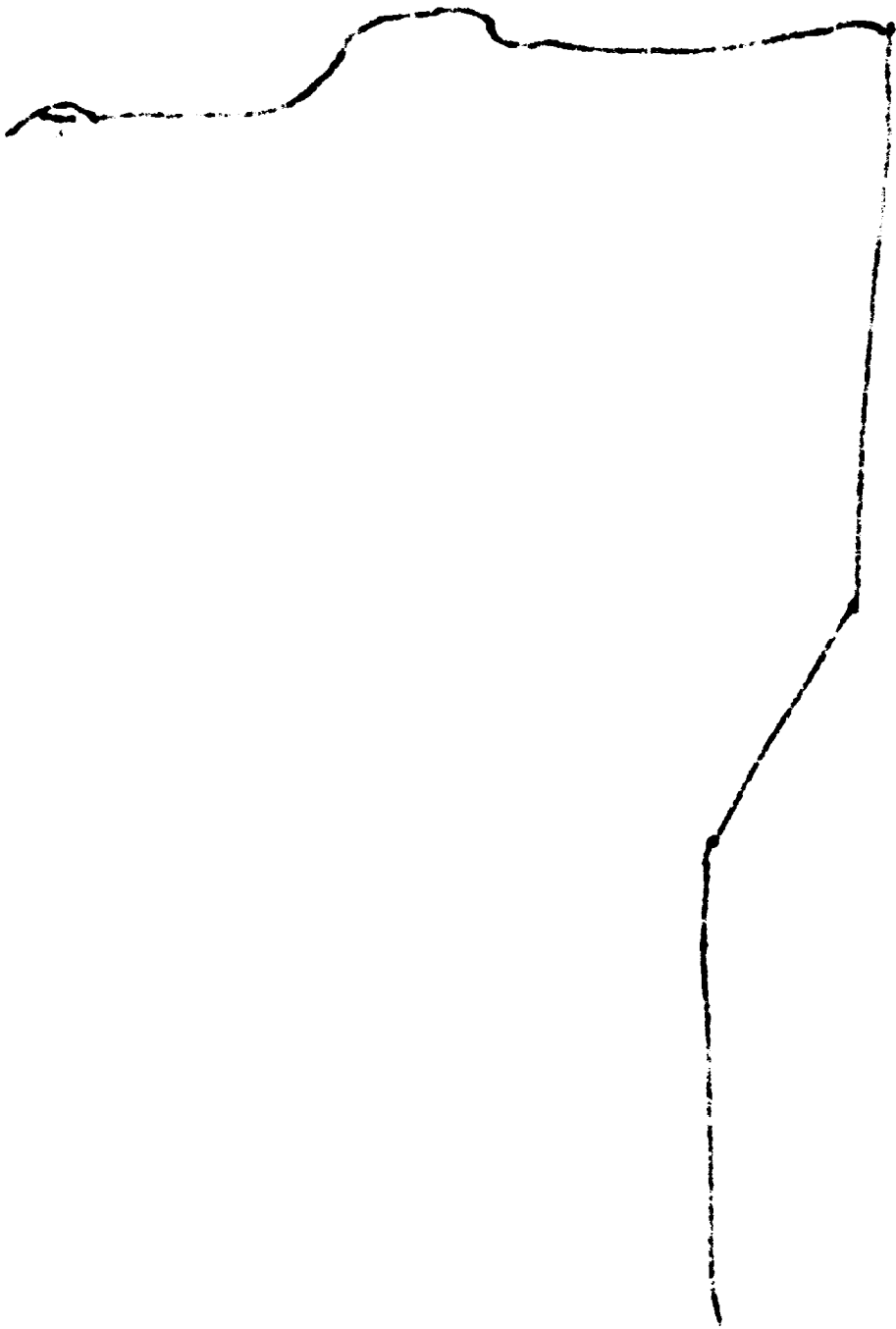


EXHIBIT "A"
 YATES PETROLEUM CORPORATION
 Federal "HJ", Well No. 6
 660' FNL & 660' FEL, Sec. 31-T6S-R26E
 Paved Highway 285: 
 Existing Access Roads: 
 Proposed Access Road: 



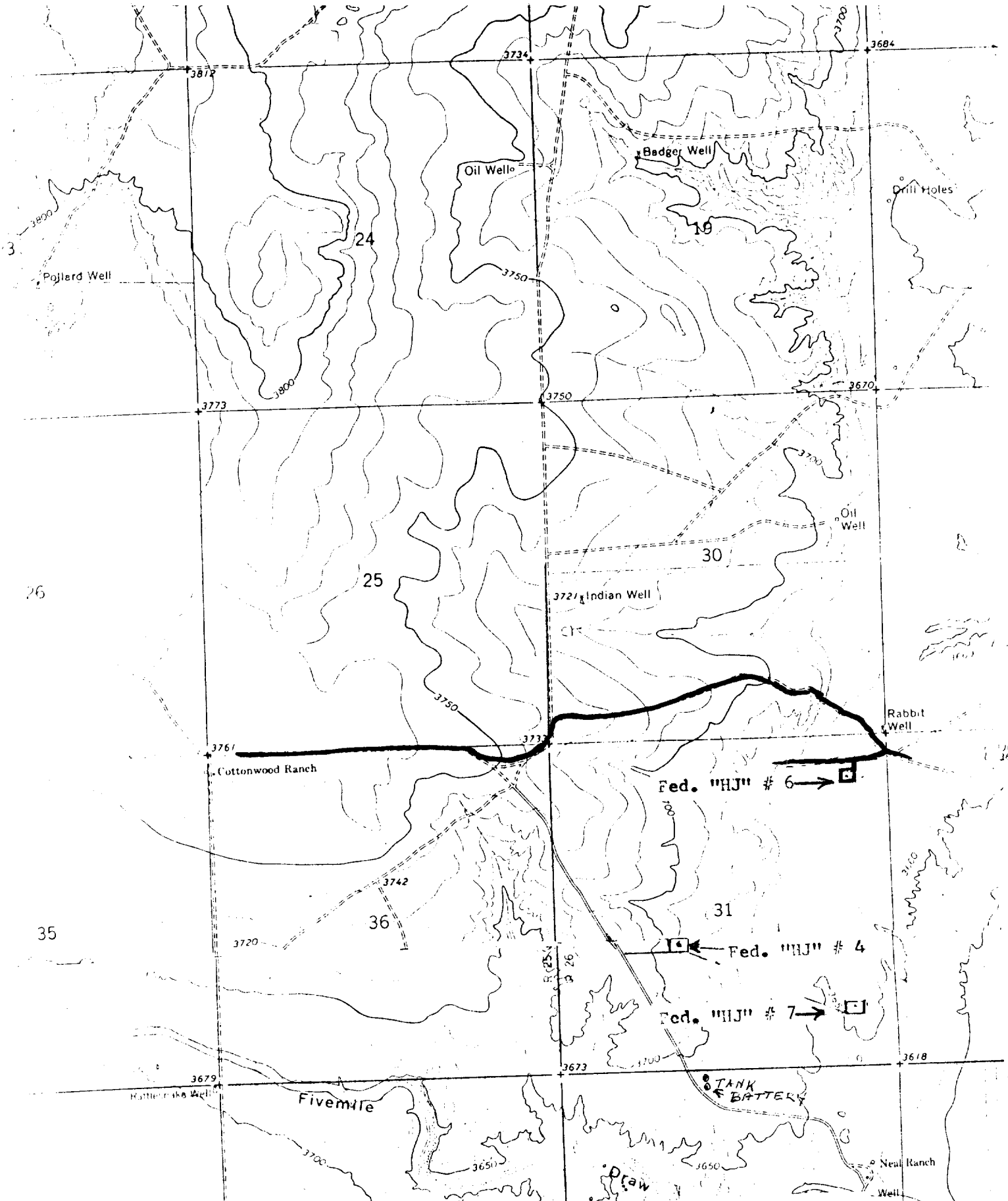
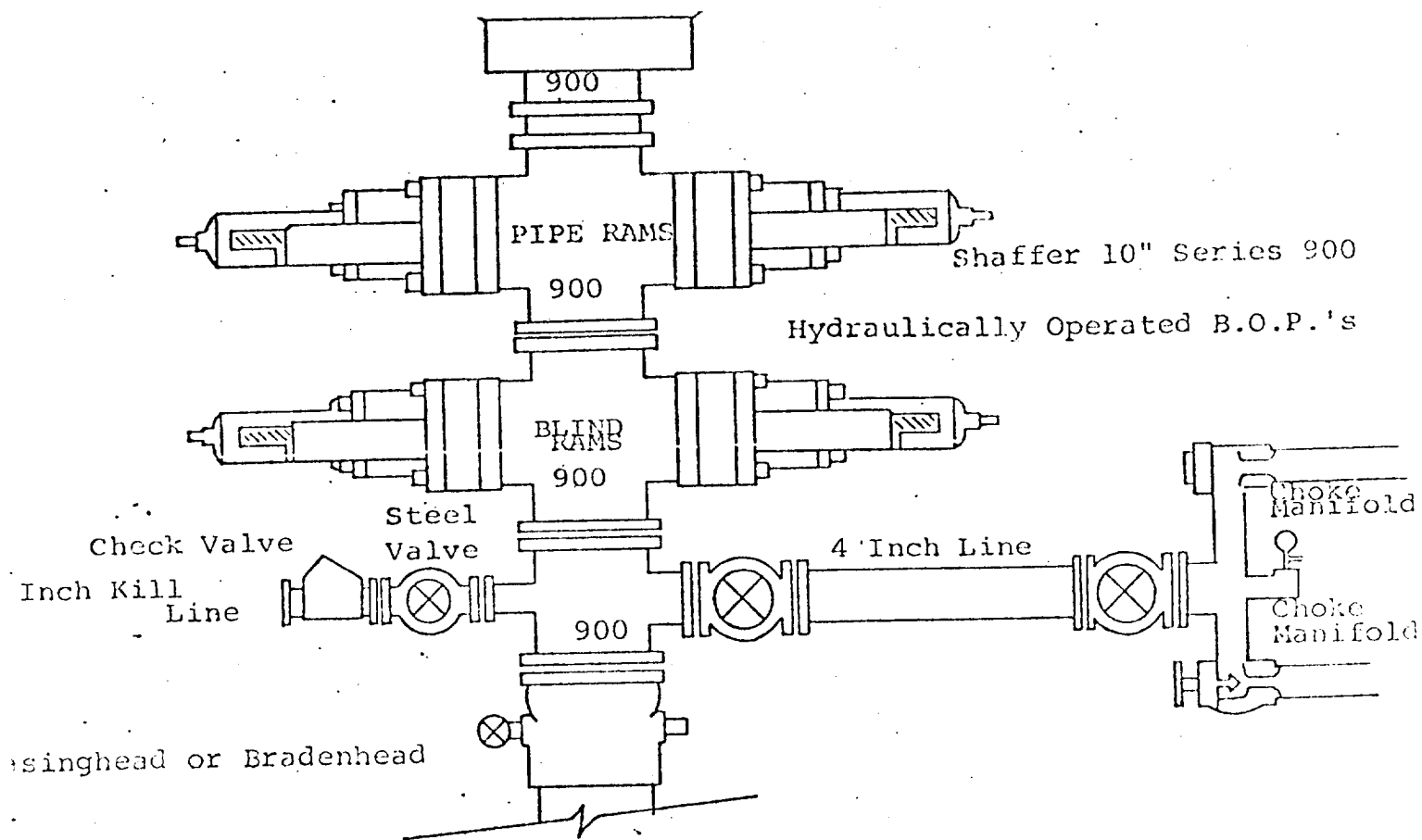


Exhibit "B"
 YATES PETROLEUM CORPORATION
 Federal "HJ", Well No. 6
 660' FNL & 660' FEL, Sec. 31-T6S-R26E
 Existing Access Road: **—————**
 Proposed Access Road: **—————**
 Scale: 1" = 2,000'



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- . All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
- . Choke outlet to be a minimum of 4" diameter.
- . Kill line to be of all steel construction of 2" minimum diameter.
- . All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
- . The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
- . All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
- . Inside blowout preventer to be available on rig floor.
- . Operating controls located a safe distance from the rig floor.
- . Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
- . D. P. float must be installed and used below zone of first gas intrusion.