

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYNM OIL CONS. COMMISSION
Artesia, NM 88210
SUBMIT IN T. LOCATE*
Drawer DD (Other must be submitted reverse side)30-005-01841
Form approved.
Budget Bureau No. 42-R1425

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-15294
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Yates Petroleum Corporation		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 207 S. 4th, Artesia, New Mexico 88210		8. FARM OR LEASE NAME Bosque Grande "SQ" Fed
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface 660' FSL and 660' FEL		9. WELL NO. 3
At proposed prod. zone same		10. FIELD AND POOL, OR WILDCAT Undes. Pecos Slope Abo
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 16 miles ENE of Roswell, New Mexico		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 8-T7S-R26E
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	12. COUNTY OR PARISH Chaves
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 4450'	13. STATE NM
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3591.4' GL	20. ROTARY OR CABLE TOOLS Rotary	17. NO. OF ACRES ASSIGNED TO THIS WELL 160
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
14 3/4"	10 3/4"	40.5# J-55	900'	650 sx circulated
7 7/8"	4 1/2"	9.5#	TD	450 sx

We propose to drill and test the Abo and intermediate formations. Approximately 900' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 8 5/8" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. 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 900', Brine to 3200', Brine & KCL water to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED.

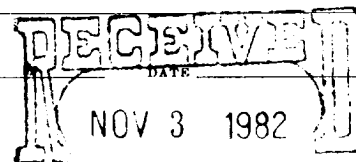
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Ken Beard TITLE Regulatory Coordinator DATE 11/2/82

(This space for Federal or State office use)

PERMIT NO. 4410387
FOR G. SGD.) DAVID R. GLASS

APPROVED BY NOV 16 1982 TITLE



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMM ON
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.

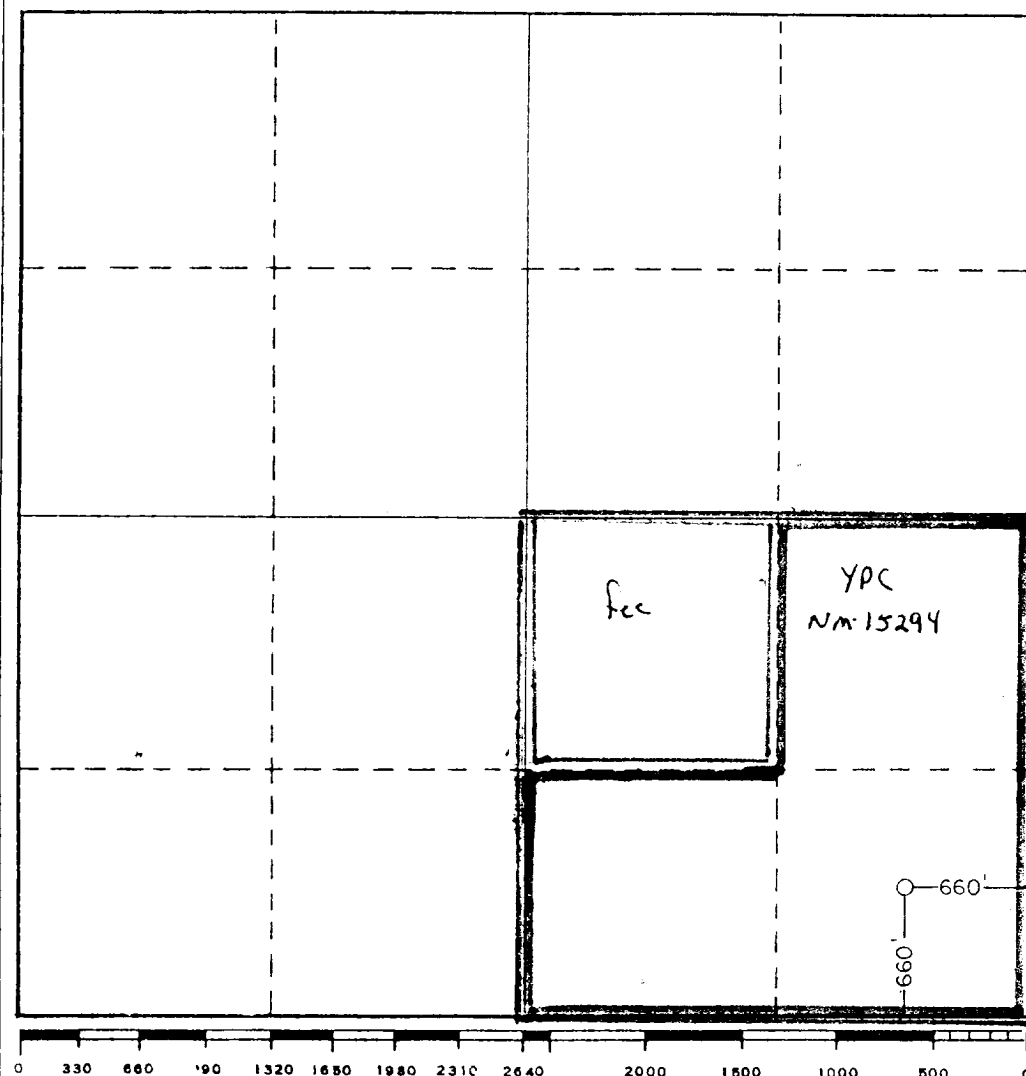
Operator YATES PETROLEUM CORPORATION			Lease Bosque Grande "SQ" Federal		Well No. 3
Unit Letter P	Section 8	Township 7 South	Range 26 East	County Chaves	
Actual Footage Location of Well:					
660 feet from the South		line and 660 feet from the East		Hwy	
Ground Level Elev. 3591.4'	Producing Formation Abo	Pool Under P-603 Slope Abo	Dedicated Acreage: 160		

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.

Ken Beardemphl

Name

Ken Beardemphl

Position

Regulatory Coordinator

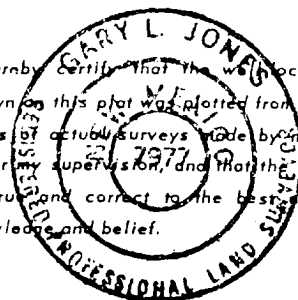
Company

Yates Petroleum Corp.

Date

11/2/82

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

October 26, 1982

Registered Professional Engineer and/or Land Surveyor

Certificate No.

7977

YATES PETROLEUM CORPORATION
Bosque Grande "SQ" Fed #3
660' FSL and 660' FEL
Sec. 8-T7S-R26E

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 estimated tops of geologic markers are as follows:

San Andres	565'
Glorieta	1669'
Fullerton	3087'
Abo	3651'
TD	4450'

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

Water: Approximately 260' - 330'

Oil or Gas: Abo 3675'

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 TD.

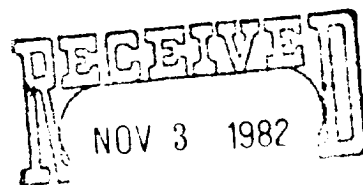
DST's: As warranted.

Coring: As warranted.

Logging: CNL-FDC TD to csg w/GR-CNL to surface & DLL from TD to csg

9. No abnormal pressures or temperatures are anticipated.

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



OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

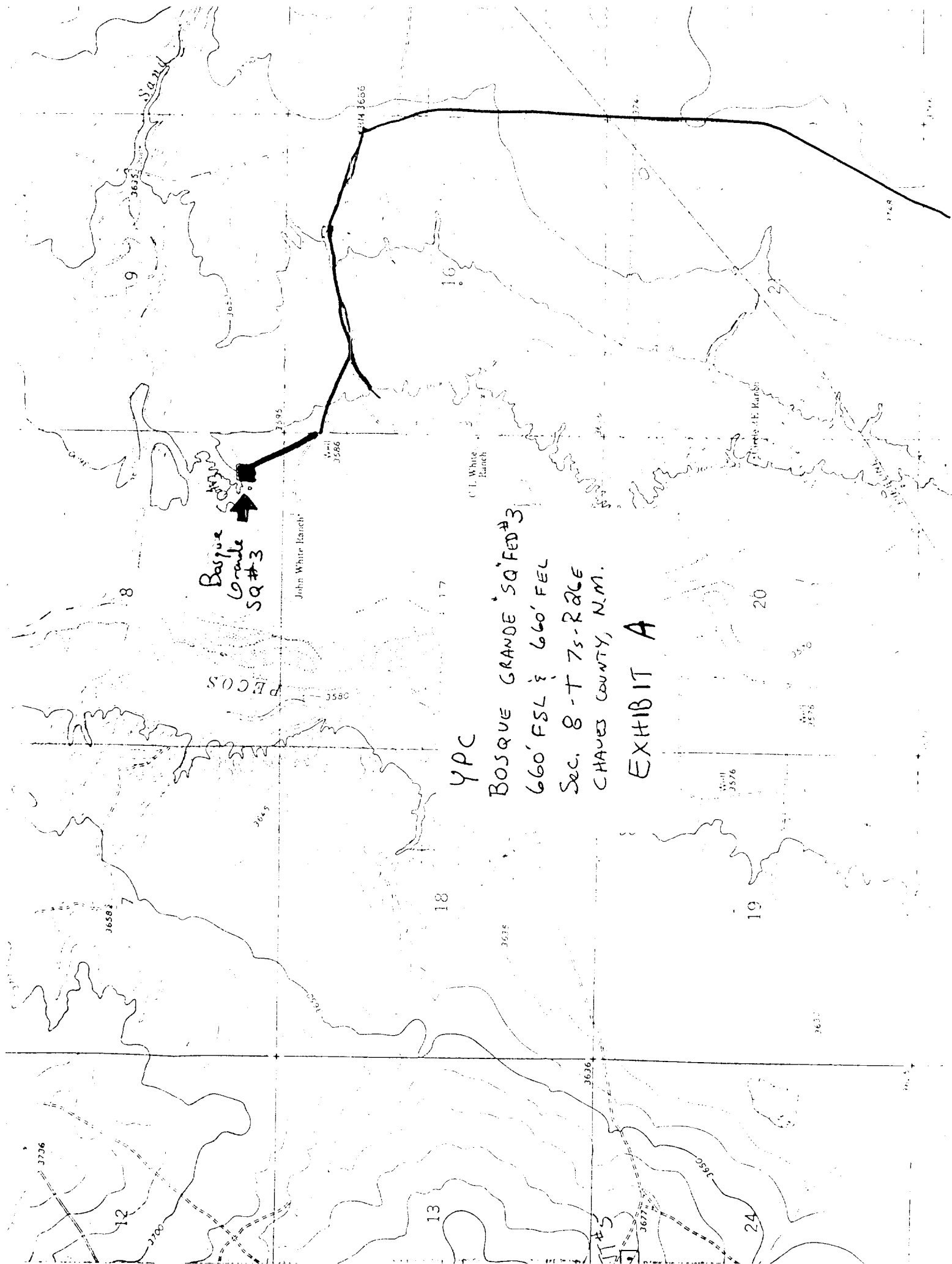
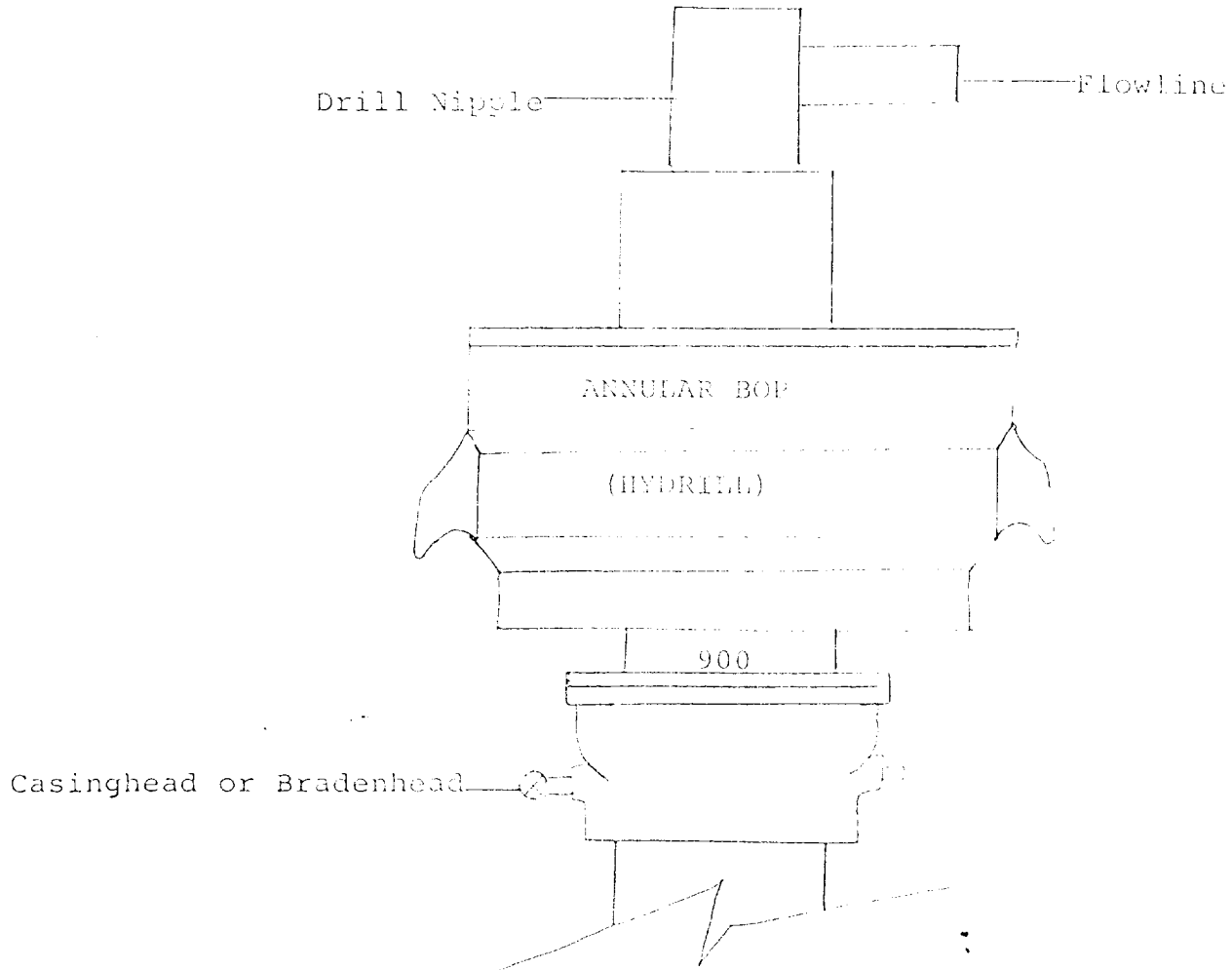


EXHIBIT D



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. All connections from operating manifolds to preventers to be all steel. Hole or tube a minimum of one inch in diameter.
3. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the BOP's.
4. All connections to and from preventer to have a pressure rating equivalent to that of the BOP's.
5. Hole must be kept filled on trips below intermediate casing.

EXHIBIT C

YATES PETROLEUM CORPORATION

