

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐OCT 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, Artesia, New Mexico

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

At surface

1980' FNL and 1980' FEL

At proposed prod. zone

same

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

Approximately 31 miles NNE of Roswell, NM.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

1980'

16. NO. OF ACRES IN LEASE

960

17. NO. OF ACRES ASSIGNED

160

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

4300'

20. ROTARY OR CABLE TOOLS

Rotary

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

3767.8' GL

22. APPROX. DATE WORK WILL START*

ASAP

23. 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	820'	720 sx circulated
7 7/8"	4 1/2"	9.5#	TD	350 sx

We propose to drill and test the Abo and intermediate formations. Approximately 820' 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 and LCM to 820', 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

TITLE Regulatory Coordinator DATE 10/28/82

(This space for Federal or State office use)

(Orig. Sgd.) GEORGE H. STEWART

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF

APPROVAL, IF ANY:

JAMES A. GILLHAM
DISTRICT SUPERVISOR

NEW MEXICO OIL CONSERVATION COMMISSION
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.

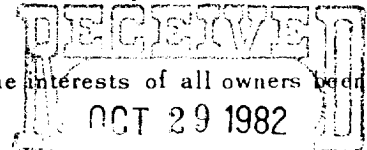
Operator YATES PETROLEUM CORPORATION			Lease Teckla "MD" Federal		Well No. 7
Unit Letter G	Section 13	Township 6 South	Range 25 East	County Chaves	
Actual Footage Location of Well:					
1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3767.8'	Producing Formation Abo	Pool 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?

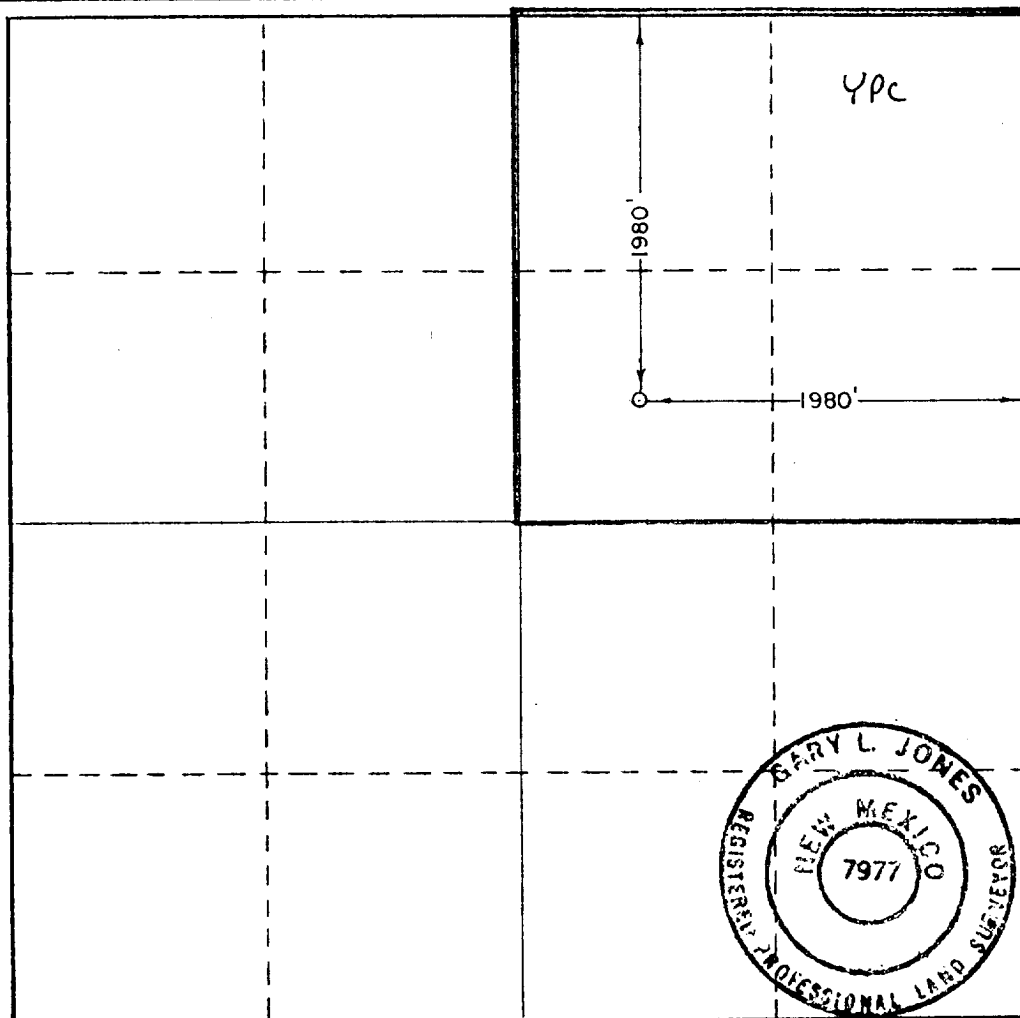
☐ Yes ☐ No If answer is "yes," type of consolidation _____

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.



OIL & GAS
U.S. GEOLOGICAL SURVEY
WASHINGTON, D.C. 20508



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

10/28/82

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 22, 1982

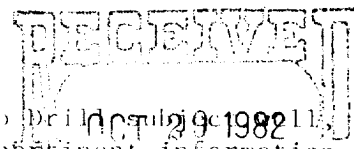
Registered Professional Engineer and/or Land Surveyor

Gary L. Jones
Certificate No.

7977

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Pekla "MD" Federal #7
1980' FNL and 1980' FEL
Sec. 13-T6S-R25E



In conjunction with Form 9-331C, Application for Permit to Drill, United States Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

Oil & Gas
 U.S. GEOLOGICAL SURVEY
 ROSWELL, NEW MEXICO

1. The geologic surface formation is sandy alluvium.

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

<u>San Andres</u>	<u>526'</u>
<u>Glorieta</u>	<u>1580'</u>
<u>Fullerton</u>	<u>2992'</u>
<u>Abo</u>	<u>3652'</u>
<u>TD</u>	<u>4300'</u>

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.

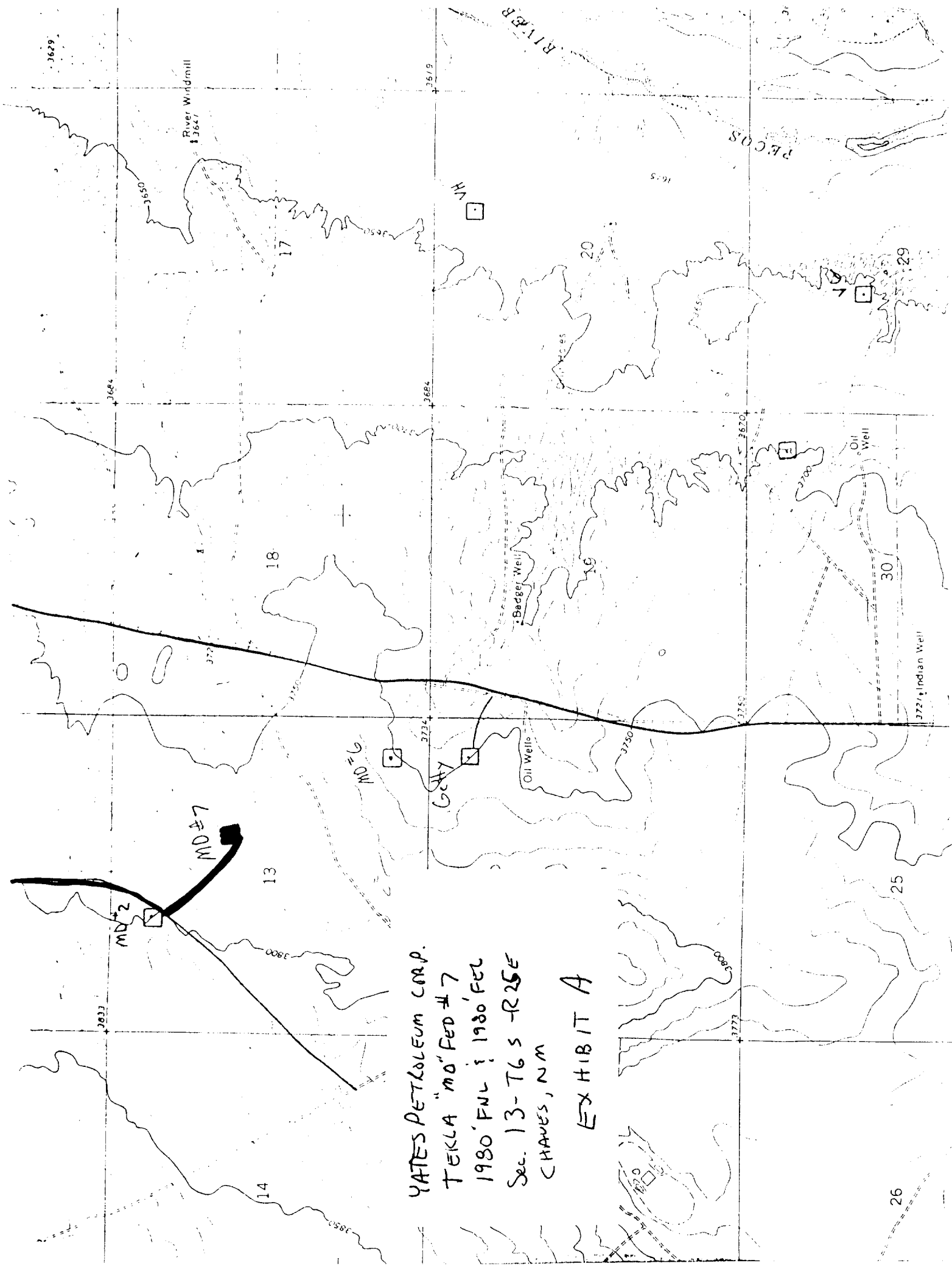
DST's: As warranted.

Coring: As warranted.

Logging: CNL-FDC TD to casing w/GR-CNL to surface & FLL from TD to csg..

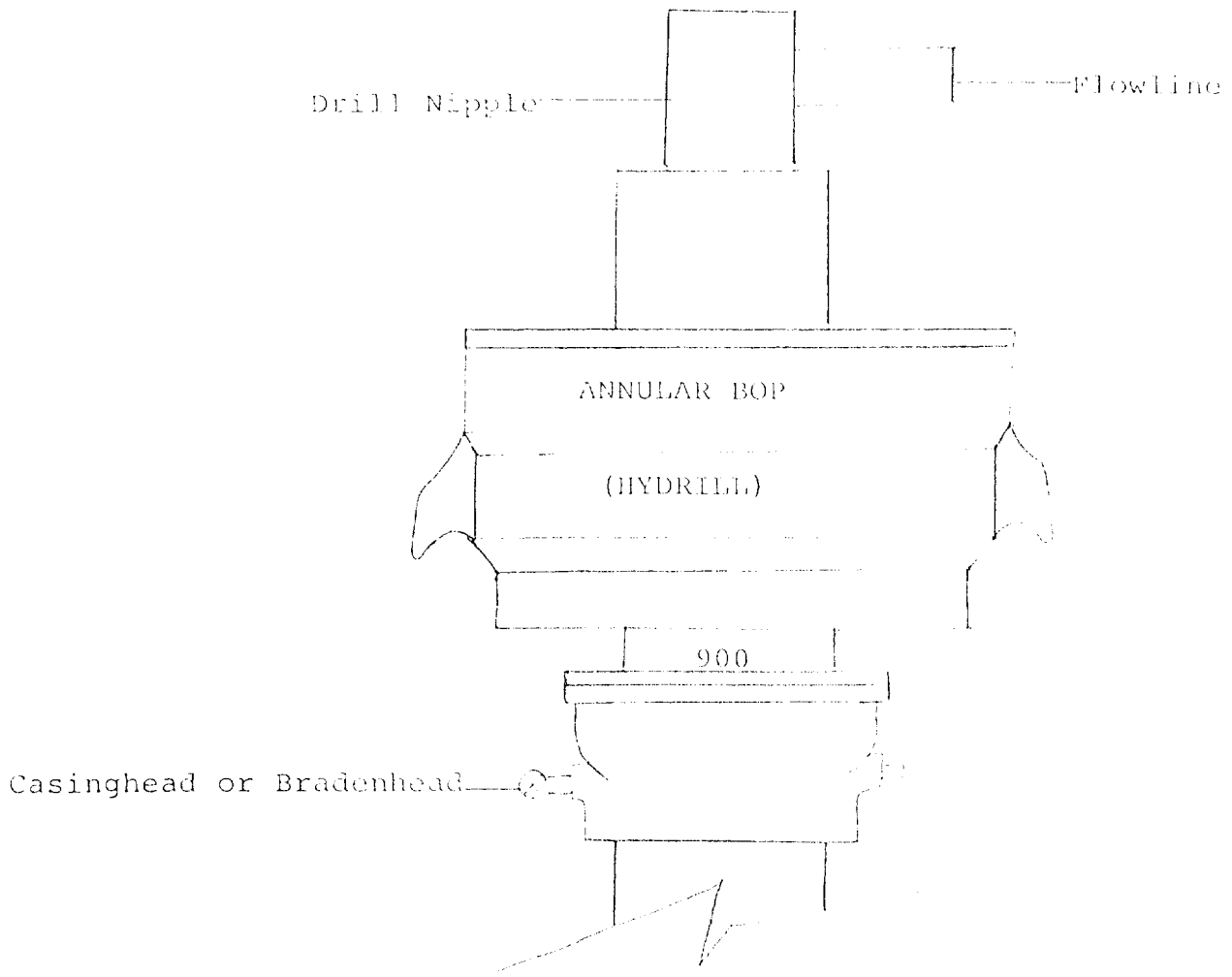
9. No abnormal pressures or temperatures are anticipated.

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



YATES PETROLEUM CORP.
TEKLA "MD" FED #7
1980' FNL ; 1980' FEL
Sec. 13-T6S -R25E
CHAVES, NM
EXHIBIT A

2. APPROX. 10'



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

