

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐RECEIVING 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 88210 OFFICE

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

At surface
1980' FSL and 1980' FWL

At proposed prod. zone

same

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

20 mile ENE 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

866.14

18. DISTANCE FROM PROPOSED LOCATION*

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

19. PROPOSED DEPTH

5400'

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

3697.7' GL

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	950'	800 sx circulated
7 7/8"	4 1/2"	9.5# J-55	TD	350 sx

We propose to drill and test the Penn and intermediate formations. Approximately 950' 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 950', 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 Agent

DATE 2/11/83

(This space for Federal or State office use)

APPROVED

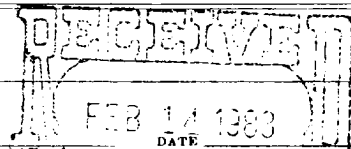
PERMIT NO.

APPROVAL DATE

APPROVED BY

APPROVAL SUBJECT TO

CONDITIONS OF APPROVAL

GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHEDJAMES A. GILLHAM
DISTRICT SUPERVISOROR R GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

**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.

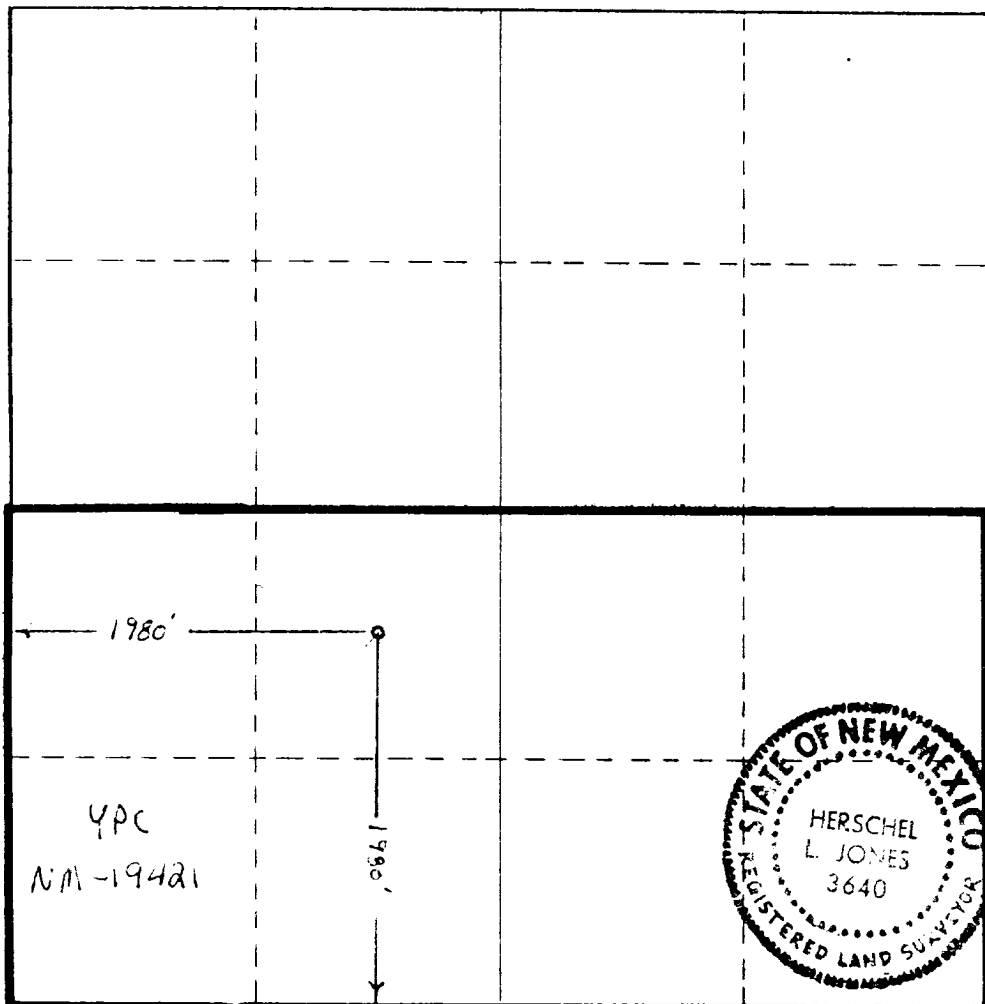
Operator YATES PETROLEUM CORPORATION			Lease Catterson "SS" Federal		Well No. 2
Unit Letter K	Section 21	Township 7 South	Range 26 East	County Chaves	
Actual Section Location of Well:					
1980 feet from the South line and		1980 feet from the West line			
Ground Level Elev. 3697.7' GL	Producing Formation Penn	Pool Penn test	Dedicated Acreage: 320 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.

Ken Beardemuhl
Name

Ken Beardemuhl

Position

Regulatory Agent

Company

Yates Petroleum Corp.

Date

2/14/83

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

February 11, 1983

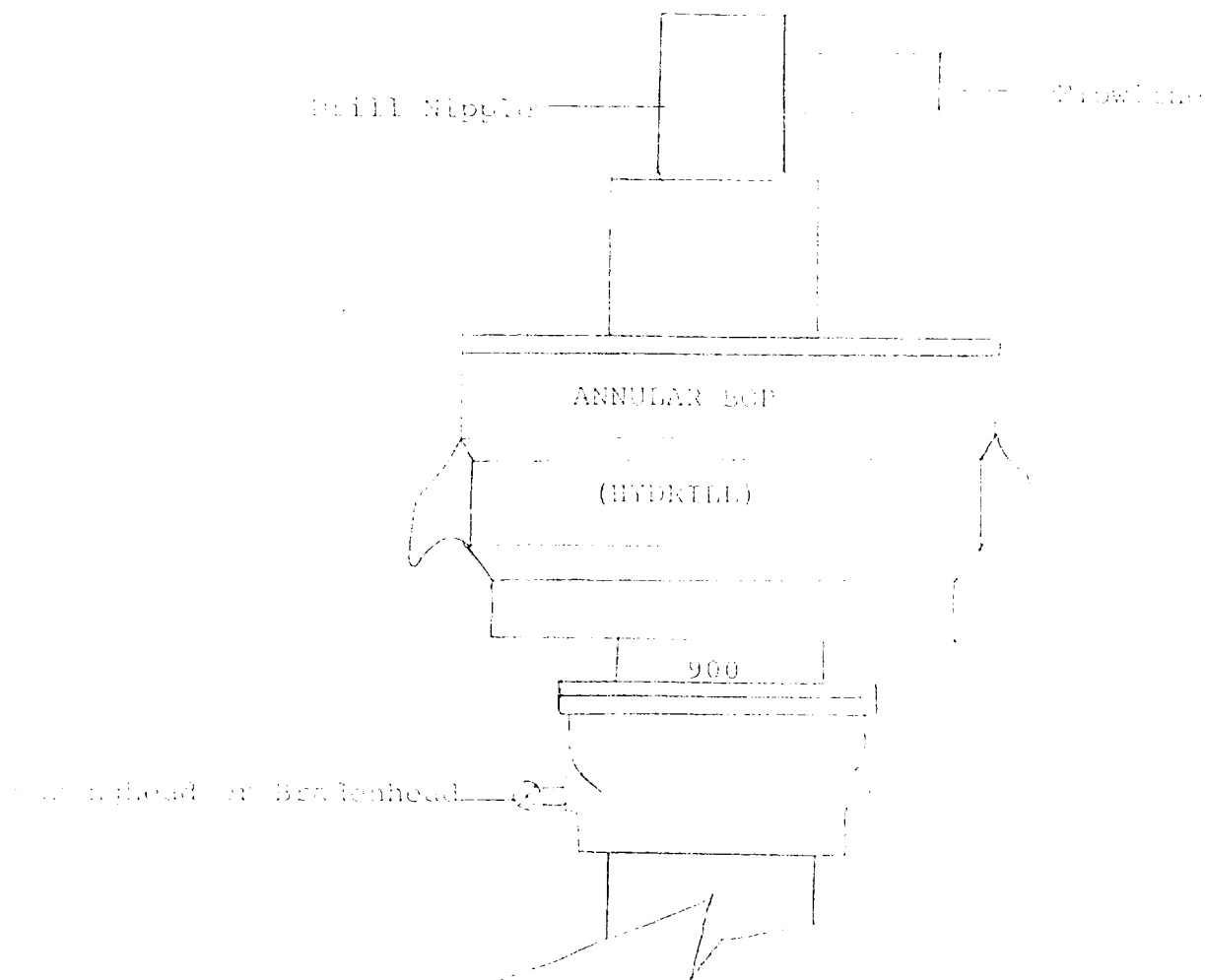
Registered Professional Engineer
and/or Land Surveyor

Herschel L. Jones
Certificate No.

3640



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. 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.

YATES PETROLEUM CORPORATION
Watterson "SS" Federal #2
1980' FSL and 1980' FWL
Sec. 21-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:

<u>San Andres</u>	<u>787'</u>
<u>Glorieta</u>	<u>1832'</u>
<u>Fullerton</u>	<u>3982'</u>
<u>Abo</u>	<u>4666'</u>
<u>Penn</u>	<u>5172'</u>
<u>TD</u>	<u>5400'</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: Penn at 5195'

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.

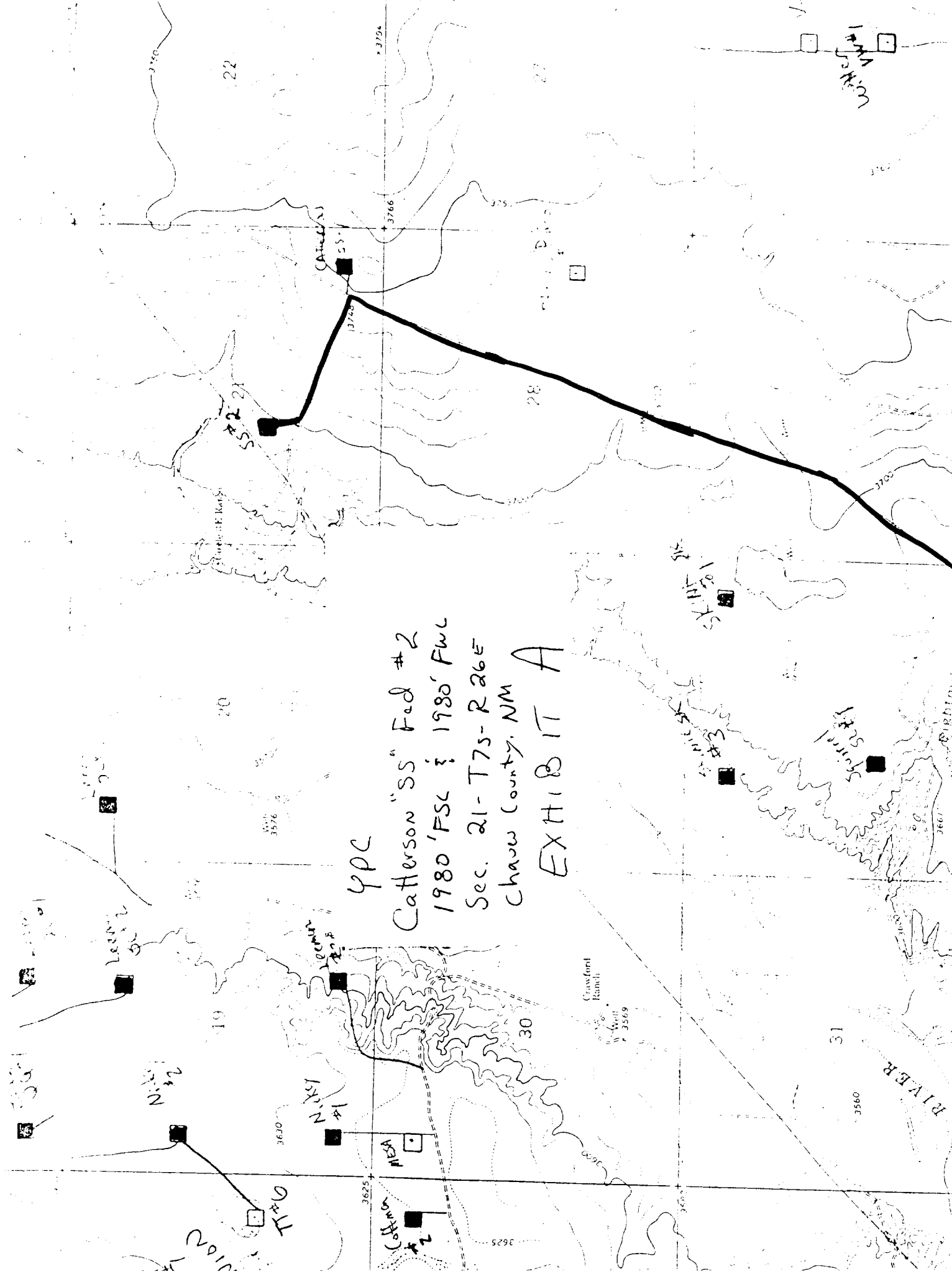
Coring: None

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.

YPC
Catterson "SS" Fed #2
1980' FSC & 1980' FWC
Sec. 21-T7S-R26E
Chaw County, NM
EXHIBIT A



YATES PETROLEUM CORP.
Exhibit C

