

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

2. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐SINGLE
ZONE ☐MULTI
ZONE ☐

3. NAME OF OPERATOR

Cities Petroleum Corporation

4. ADDRESS OF OPERATOR

207 S. 4th Street, Artesia, New Mexico 88210

5. LOCATION

1980' FSL & 1980' FWL

6. At proposed prod. zone

Same

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

Approx. 5 miles NE of Roswell

8. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

1980'

9. DISTANCE FROM PROPOSED LOCATION*

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

1300'

10. NO. OF ACRES IN LEASE

960

11. PROPOSED DEPTH

4150'

12. NO. OF ACRES ASSIGNED

160

13. ROTARY OR CABLE TOOLS

Rotary

14. ELEVATIONS (Show whether DE, RT, GR, etc.)

3523.9 GL

15. 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'	800 Sx Circ.
7 7/8	4 1/2	9.5 #	TD	350

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 travel and caving. If needed (lost circulation) 8 5/8 intermediate casing will be run to 900-1500' 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.

Casing PROGRAM: FW Gel & LCM to 900 Brine to 3500', Brine/KCL Water to TD

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

WELL NOT DEDICATED.

EXPLANATION: 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 prevention program, if any.

SIGNED

Cy Cowan

TITLE Regulatory Agent

DATE 3/21/83

(This space for Federal or State office use)

APPROVED BY

APPROVED

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

MAR 28 1983

JAMES A. GILLHAM
DISTRICT SUPERVISOR

TITLE

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHEDRECEIVED
MAR 24 1983OIL & GAS
U.S. GEOLOGICAL SURVEY
LOS ALAMOS, NEW MEXICO

C/87

36-005-61969

LEASE DESIGNATION AND SERIAL NO.

NM-18819

IF INDIAN, ALLOTTEE OR TRIBE NAME

UNIT AGREEMENT NAME

FARM OR LEASE NAME

Mountain "VR" Fed.

WELL NO.

3

FIELD AND POOL, OR WILDCAT

Pecos Slope Abo

SEC. T., R., M., OR BLE.
AND SURVEY OR AREA

Sec. 8, T10S, R25E

COUNTY OR PARISH STATE

Chaves

NM

**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			Location Mountain VR Federal		Well No. 3
Tract Letter K	Section 8	Township 10 South	Range 25 East	County Chaves	
Actual Plot Date Location of Well:					
1980	feet from the South	line and	1980	feet from the West	line
Ground level Elev. 3523.9	Producing Formation ABO	Pool Reco's Stager ABO	Dedicated Acreage 160 Acres		

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?

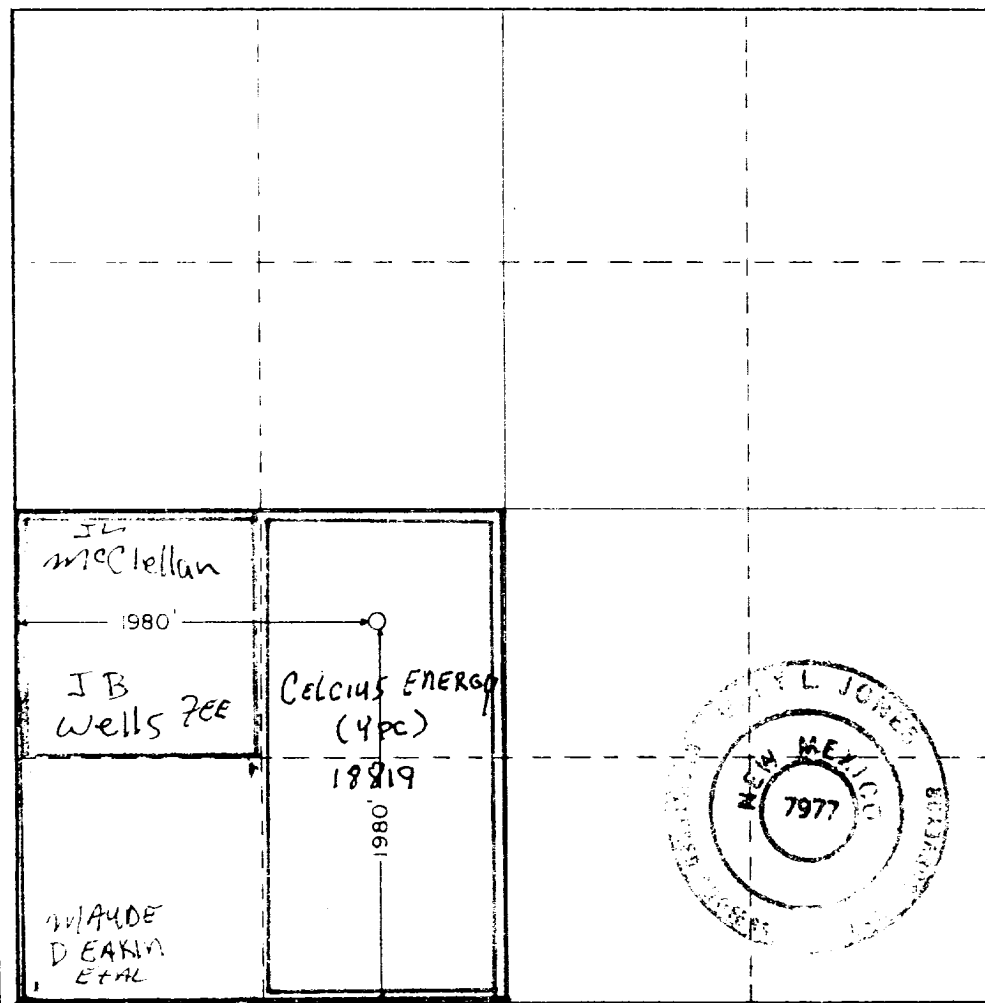
☒ Yes ☐ No

If answer is "yes," type of consolidation

To Be 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.

Cy Cullen

Name

Regulatory Agent

Position

Yates Petroleum Corp.

Company

March 21, 1983

Date

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

March 12, 1983

Registered Professional Engineer and/or Land Surveyor

James Egan

Certificate No.

7977

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

YATES PETROLEUM CORPORATION

Mountain VR Fed. #3
1980 FSL & 1980 FWL
Sec. 8, T10S, R25E

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:

SA	506'
Glo	1366'
Full	3018'
Abo	3520'
TD	4150'

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

Water: 250'-300'

Oil or Gas: Abo 3555'

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.

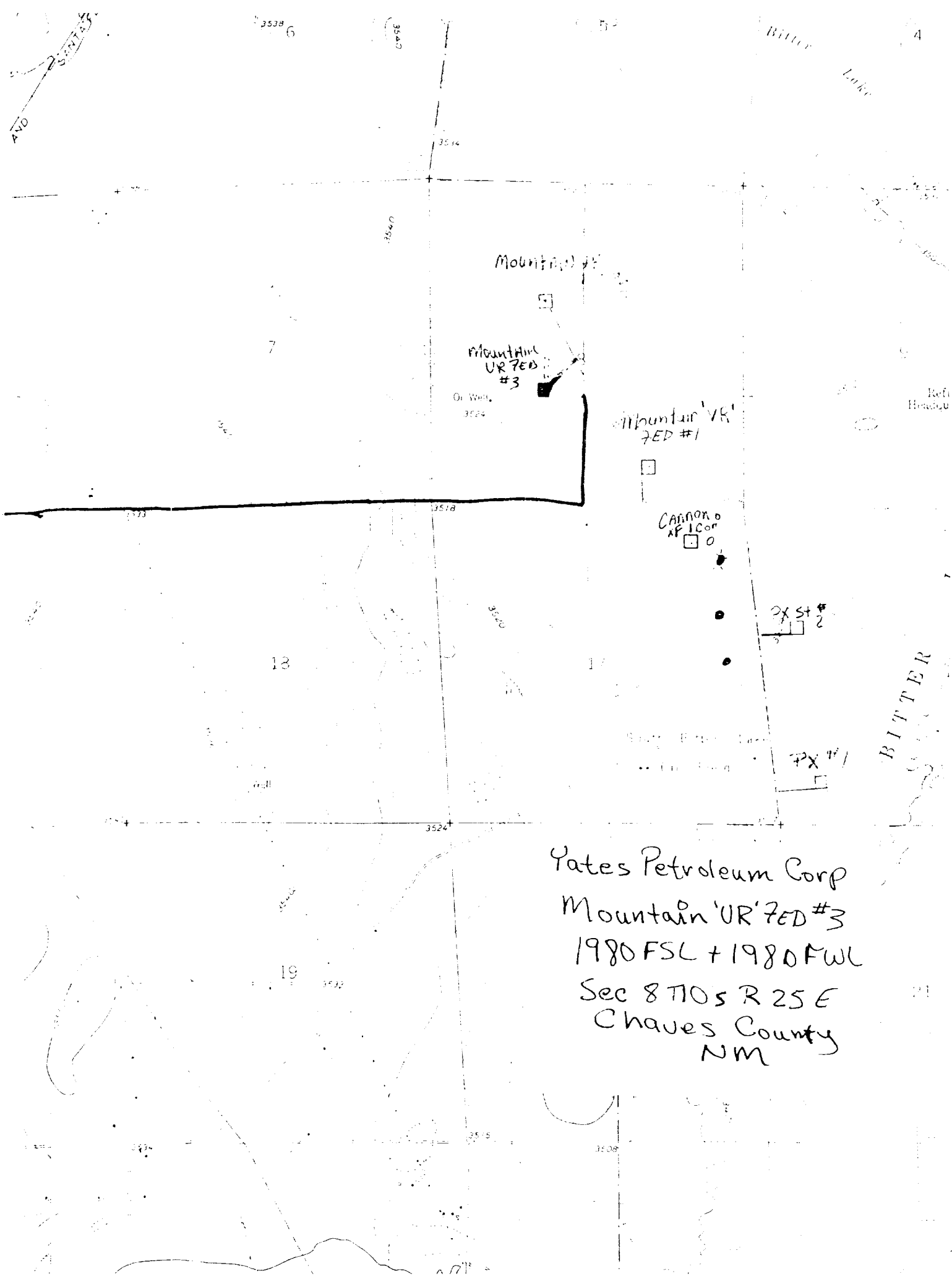
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.

8. Testing, Logging and Coring Program:

Samples:	<u>Surf Csg to TD</u>
DST's:	<u>As warrented</u>
Coring:	<u>None</u>
Logging:	<u>CNL-FDC TD to CSG w/GR-CNL to Surf & DLL from TD to CSG</u>

9. No abnormal pressures or temperatures are anticipated.

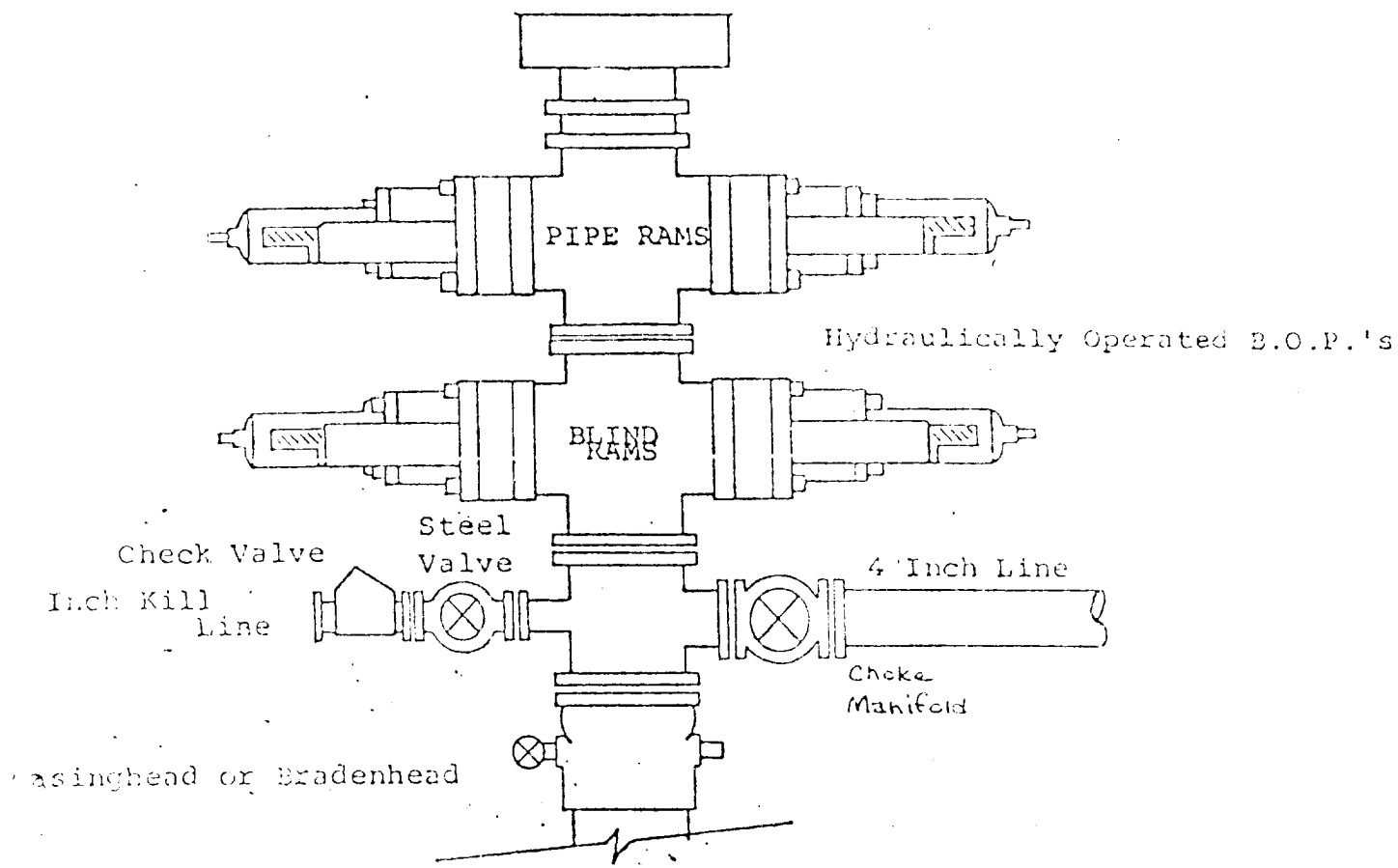
10. Anticipated starting date: As soon as possible after approval.



Yates Petroleum Corp
Mountain 'UR' 7ED #3
1980 FSL + 1980 FWL
Sec 8 T10S R 25E
Chaves County
NM

EXHIBIT B

BOP DIAGRAM



YATES PETROLEUM CORP.

Exhibit C

