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RECEIVED Indicate Type of Lease  
STATE ☐ FCC ☒  
5. State Oil & Gas Lease No.

APR 21 1983

O. C. D.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. Type of Work  
DRILL ☒ DEEPEN ☐ PLUG BACK ☐  
b. Type of Well  
OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐  
c. Name of Operator  
Yates Petroleum Corporation  
d. Address of Operator  
207 S. 4th, Artesia, New Mexico 88210  
e. Location of well  
UNIT LETTER D LOCATED 660 FEET FROM THE North LINE  
660 FEET FROM THE West LINE OF SEC. 23 TWP. 7S RGE. 25E NMPM  
16. Proposed Depth 4200  
17. County Chaves  
18. Formation Abo  
19. Rotary or C.T. Rotary  
20. Approx. Date Work will start ASAP  
21. Kind & Status Plug. Bond Blanket  
22. Drilling Contractor not determined  
23. Elevation to weather Dr. H.I. etc. 3704.5' GL

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4"	10 3/4"	48# J-55	appr 840'	700 sx	circulated
7 7/8"	4 1/2"	9.5# J-55	TD	350 sx	

We propose to drill and test the Abo and intermediate formations. Approximately 840' 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 840', KCL & starch to 3500', Brine & KCL water to TD

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

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 10-22-83  
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Ken Beardsley Title Regulatory Agent Date 4/20/83

(This space for State Use)

APPROVED BY [Signature] TITLE OIL AND GAS INSPECTOR DATE APR 22 1983

CONDITIONS OF APPROVAL, IF ANY:

Newly Drilled in a "don't" time to cement casing the 10 3/4" casing

Posted as per SD-1011 Book 4-22-83

**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.

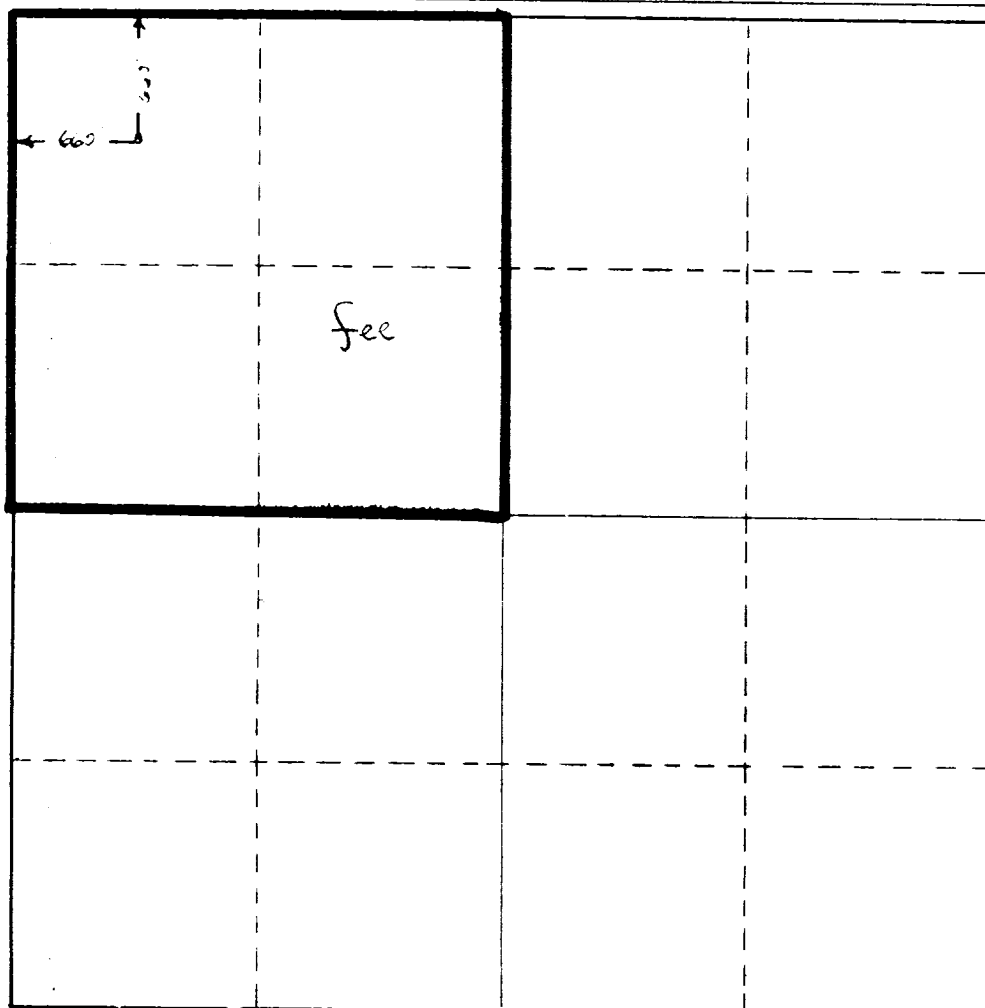
Owner <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Spool "SU"</b>		Well No. <b>2</b>
Tract Letter <b>D</b>	Section <b>23</b>	Township <b>7 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3704.5' GL</b>	Producing Formation <b>Abo</b>		Pool <b>Pecos Slope Abo</b>		Dedicated Acreage: <b>160</b> 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 Beardemphl*

Name  
**Ken Beardemphl**

Position  
**Regulatory Agent**

Company  
**Yates Petroleum Corp**

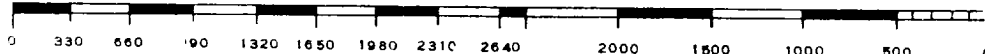
Date  
**4/20/83**

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  
**April 19, 1983**

Registered Professional Engineer,  
and/or Land Surveyor

*Samuel G. Johnson*  
Certificate No. **1517977**



# EXHIBIT B

## BOP DIAGRAM

