

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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"/>		RECEIVED BY OCT 20 1983 O. C. D. ARTESIA OFFICE
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		
2. NAME OF OPERATOR Yates Petroleum Corporation		
3. ADDRESS OF OPERATOR 207 S. 4th, Artesia, New Mexico 88210		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FSL and 660' FWL At proposed prod. zone same		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 20 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)	16. NO. OF ACRES IN LEASE 1080	17. NO. OF ACRES ASSIGNED TO THIS WELL 160
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.	19. PROPOSED DEPTH 4150'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3596.1' GL		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	1000'	900 sx circulated
12 1/4"	8 5/8"	24# J-55	1500'	(optional)
7 7/8"	4 1/2"	9.5# J-55	TD	350 sx

Post ID-1
10-24-83
Marked + API

We propose to drill and test the Abo and intermediate formations. Approximately 1000' 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 1000', 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 location and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Cy Conner TITLE Regulatory Agent DATE 10/17/83
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY David A. Glass TITLE Chief, Branch of Fluids DATE 10-19-83
CONDITIONS OF APPROVAL, IF ANY: For Armando A. Lopez

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

N MEXICO OIL CONSERVATION COMMISS. 4
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.

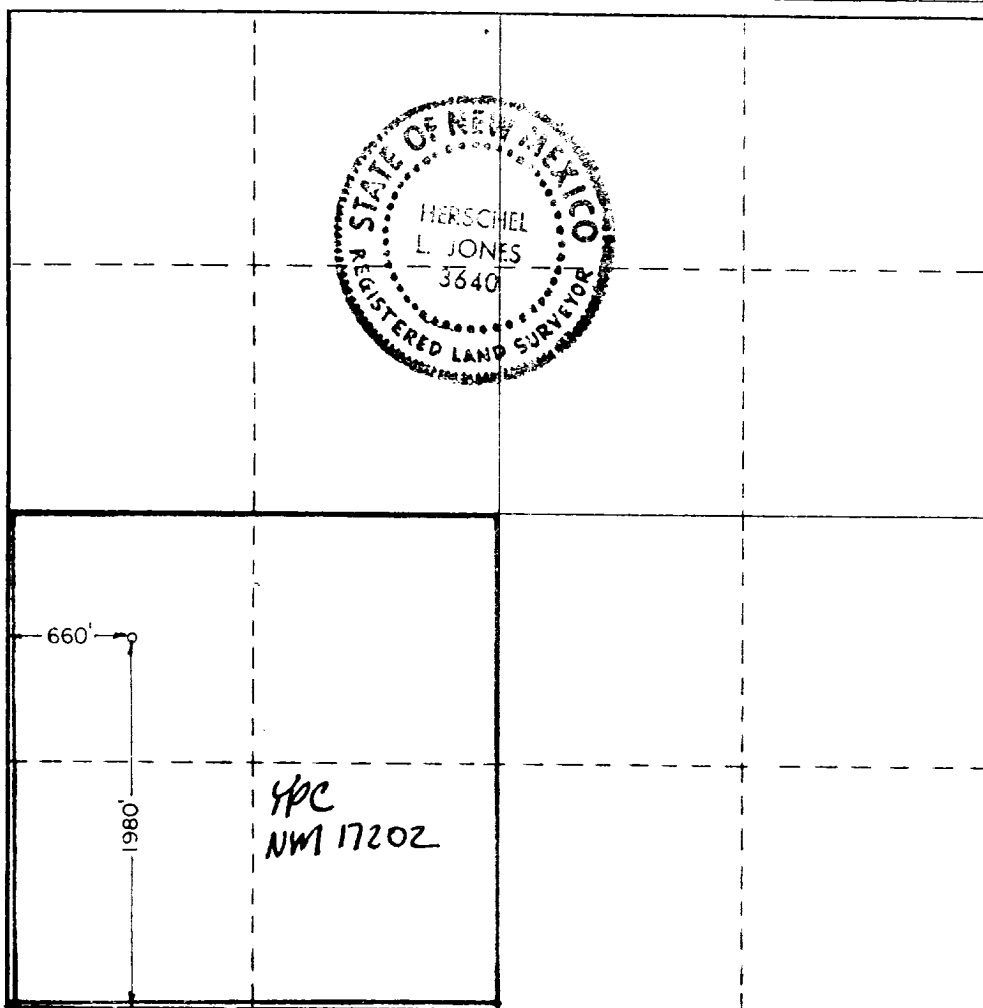
Operator YATES PETROLEUM CORPORATION			Lease SHORT "RM" FEDERAL		Well No. 3
Unit Letter L	Section 27	Township 7 South	Range 25 East	County Chaves	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1980 feet from the South line and 660 feet from the West line </div>					
Ground Level Elev. 3596.1	Producing Formation ABO	Pool Pecos Slope ABO	Dedicated Acreage: 1.60 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 correct to the best of my knowledge and belief.

Cy Cowan

Name
Cy Cowan
Position
Regulatory Agent
Company
Yates Petroleum Corp.

Date
10/17/83

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
10/11/83

Registered Professional Engineer and/or Land Surveyor

Herschel L. Jones

Certificate No.
3840

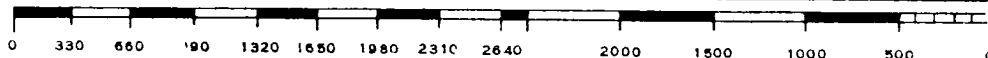
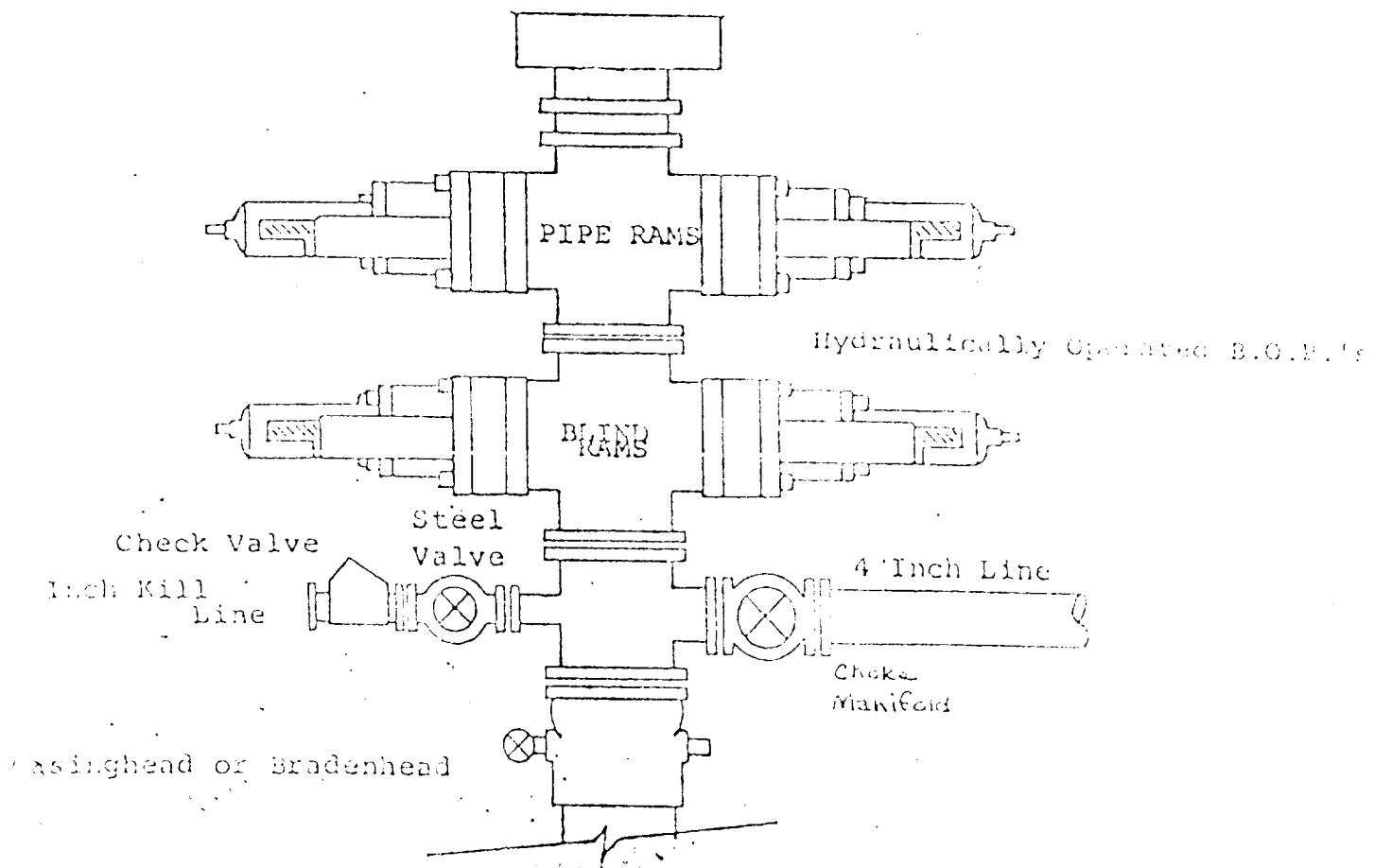


EXHIBIT B

BOP DIAGRAM



YATES PETROLEUM CORPORATION
Short "RM" Federal #3
1980' FSL and 660' FWL
Section 27-T7S-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 quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	347'
Glorieta	1397'
Fullerton	2787'
Abo	3487'
TD	4150'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 275-300'

Oil or Gas: Abo 3580'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
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:

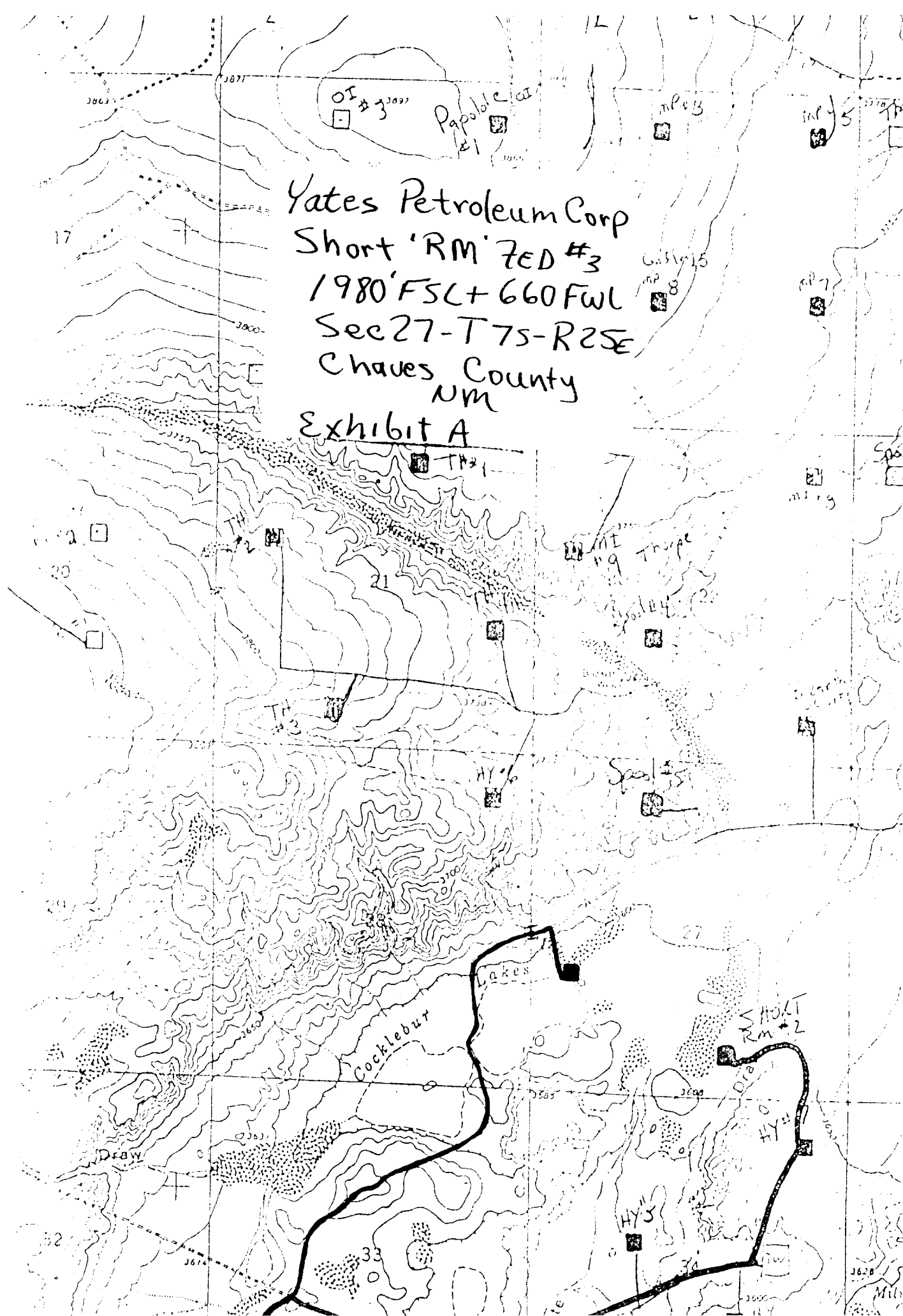
Samples: Surface casing to TD.

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.

Yates Petroleum Corp
Short 'RM' 7ED #3
1980' FSL + 660 FWL
Sec 27-T7S-R2E
Chaves County
NM
Exhibit A



YATES PETROLEUM CORP.

Exhibit C

Reserve Pit
bottom to be at
ground level to
1 ft.

