

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED BY

5. LEASE DESIGNATION AND SERIAL NO.

NM-37 NOV 04 1983

6. INDIAN, ALLOTTEE OR TRIBE NAME

O. C. D.

7. UNIT AGREEMENT NAME
ARTESIA, OFFICE

8. FARM OR LEASE NAME

Esperanza "XP" Federal

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Wildcat - *AL*11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 26-T4S-R20E

12. COUNTY OR PARISH 13. STATE

Chaves

NM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒OTHER ☐

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

660' FSL and 1780' FWL

At proposed prod. zone
same

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

Approximately 43 miles northwest of Roswell, NM.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1780

16. NO. OF ACRES IN LEASE

1200

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

4000+

20. ROTARY OR CABLE TOOLS

Rotary

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

4481.0' 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
17 1/2"	13 3/8"	J-55	350' <i>all</i>	350 sx circulated
12 1/4"	8 5/8"	J-55	750-1500' *	500 sx circulated
7 7/8"	4 1/2"	9.5#	TD	600 sx

*as warranted

We propose to drill and test the Abo and intermediate formations. Approximately 550' 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 between 750'-1500' and cemented with enough cement ~~to circulate to the 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 casing shoe, brine 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

Cy Cowan

TITLE Regulatory Agent

DATE 11/2/83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

A. G. Lopez

TITLE

DATE

11/2/83

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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.

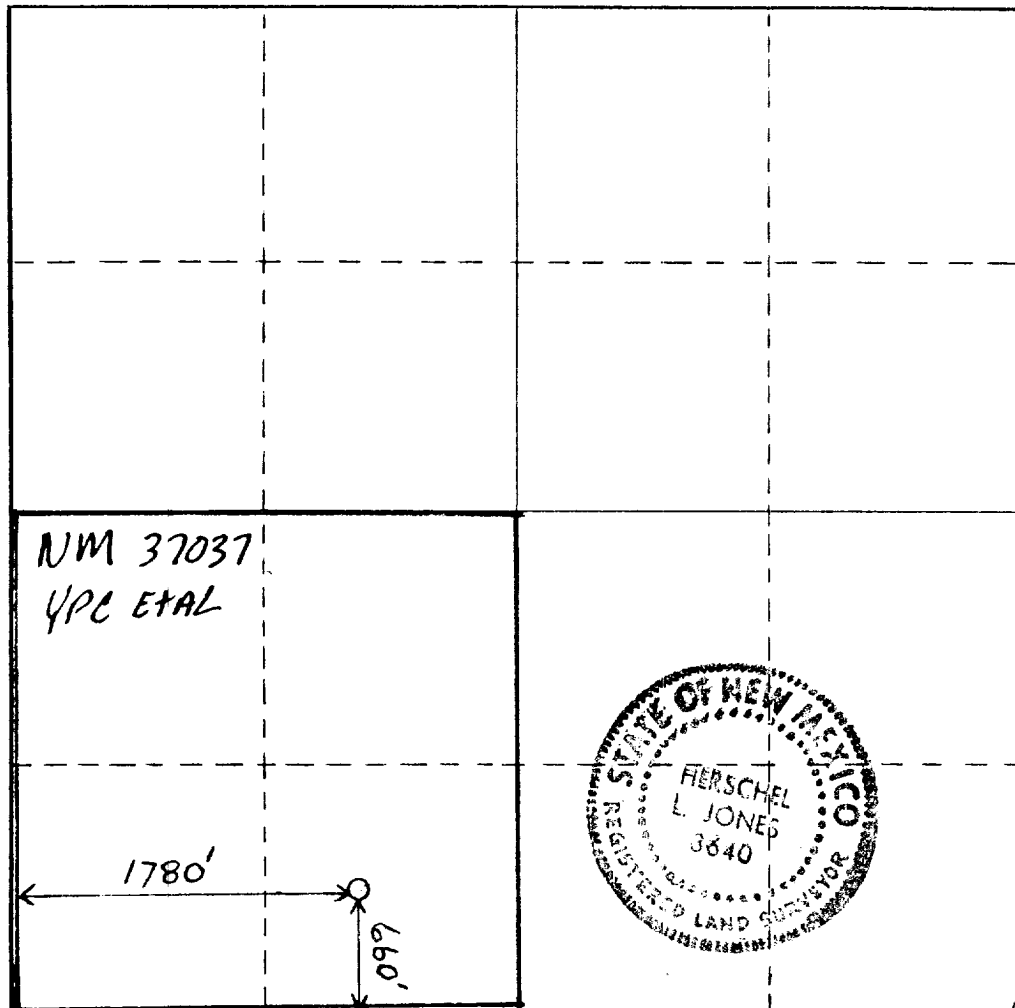
Operator YATES PETROLEUM CORPORATION		Lease Esperanza "XP" Federal		Well No. 2
Unit Letter N	Section 26	Township 4 South	Range 20 East	County Chaves
Actual Footage Location of Well: 660 feet from the South line and 1780 feet from the West line				
Ground Level Elev. 4481.0' GL	Producing Formation ABO	Pool Wild Cat - 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.



CERTIFICATION

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

Cy Cowan

Name

Cy Cowan

Position

Regulatory Agent

Company

Yates Petroleum Corp.

Date

11/2/83

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

11/1/83

Registered Professional Engineer and/or Land Surveyor

Herschel L. Jones

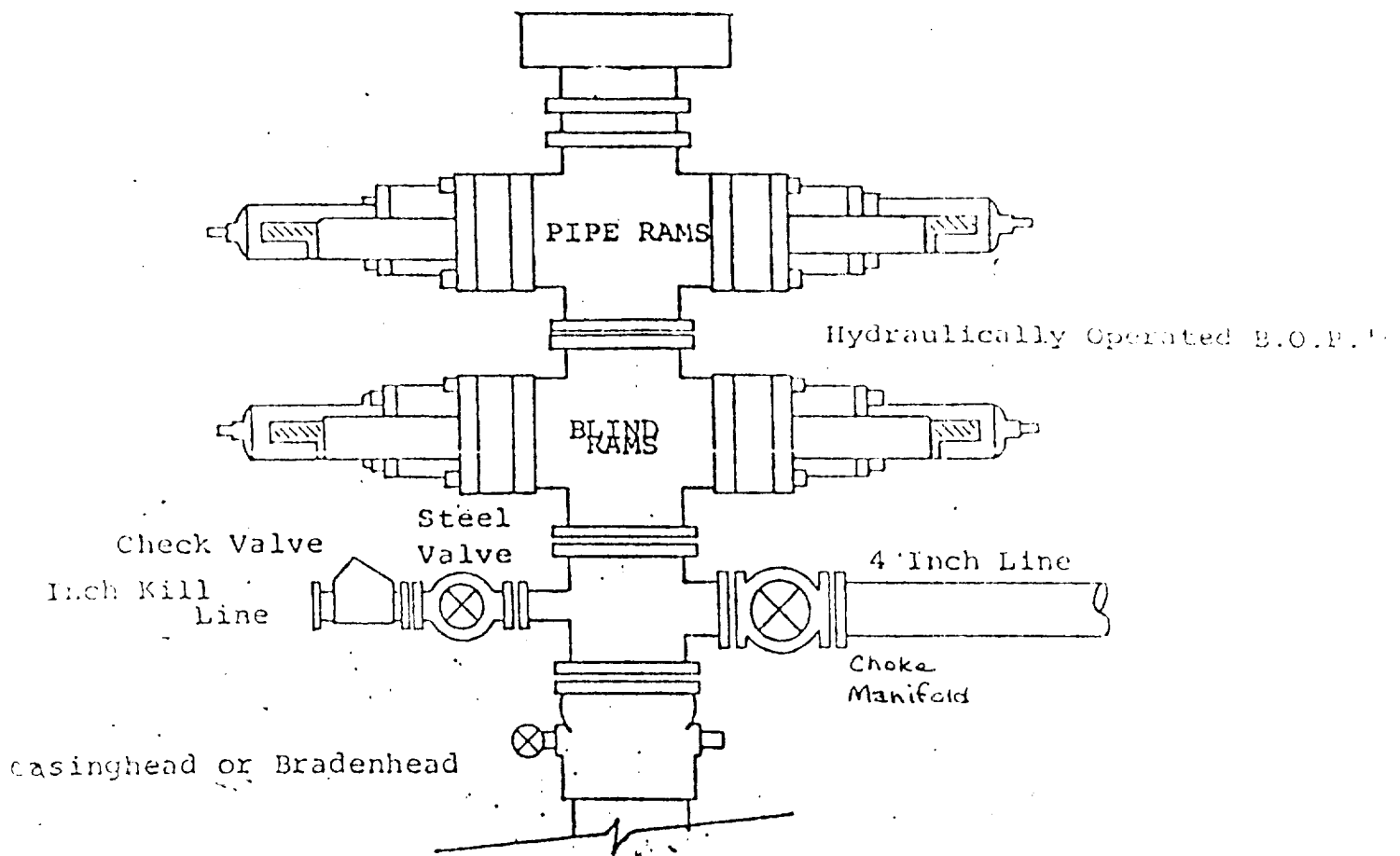
Certificate No.

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

EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



YATES PETROLEUM CORPORATION
Esperanza "XP" Federal #2
660' FSL and 1780' FWL
Sec. 26-T4S-R20E

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:

San Andres	surface
Yeso	300'
Abo	2047'
Pre-Cambrian	3242'
TD	4000'+

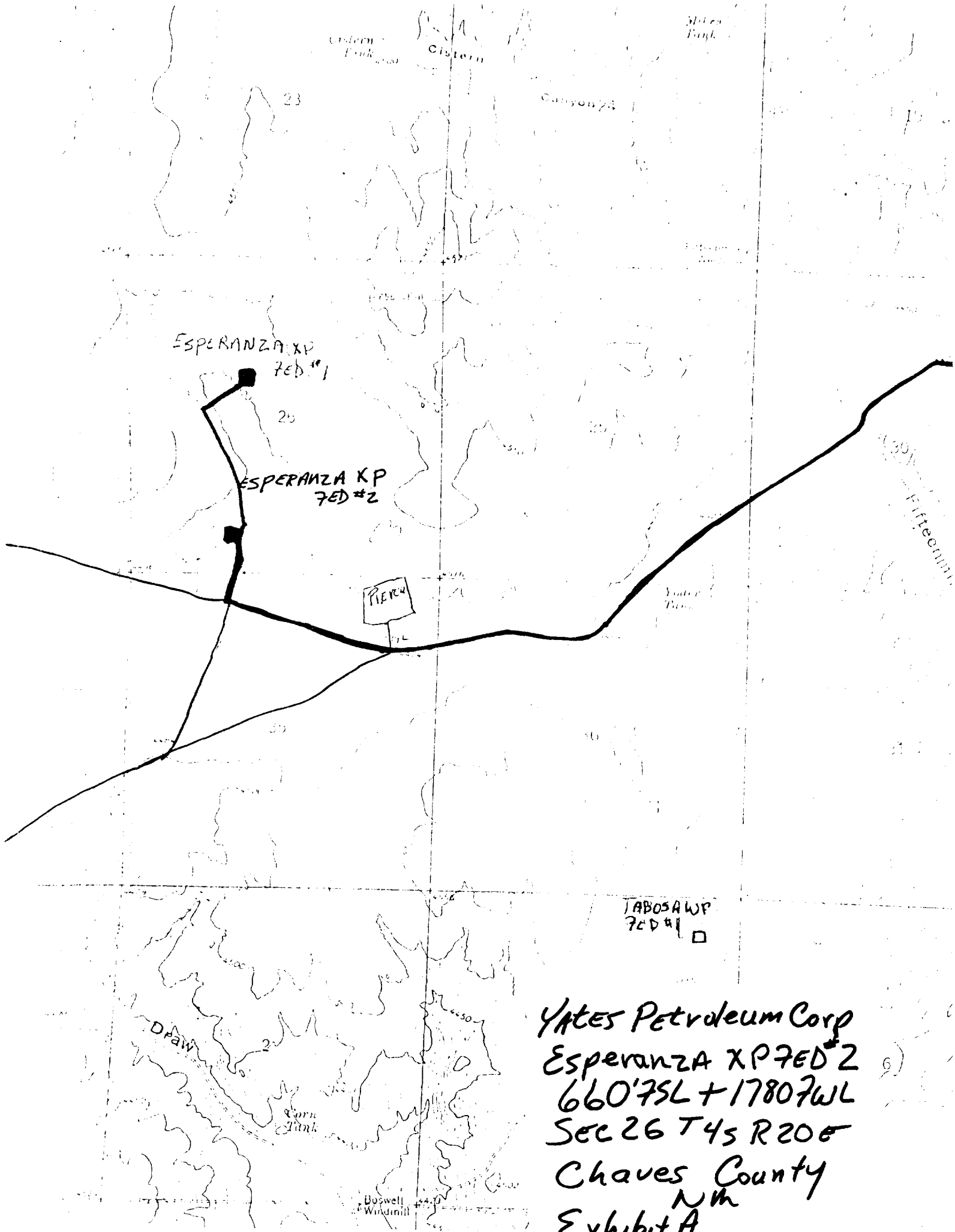
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 250-350'

Oil or Gas: Abo 2100'

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.

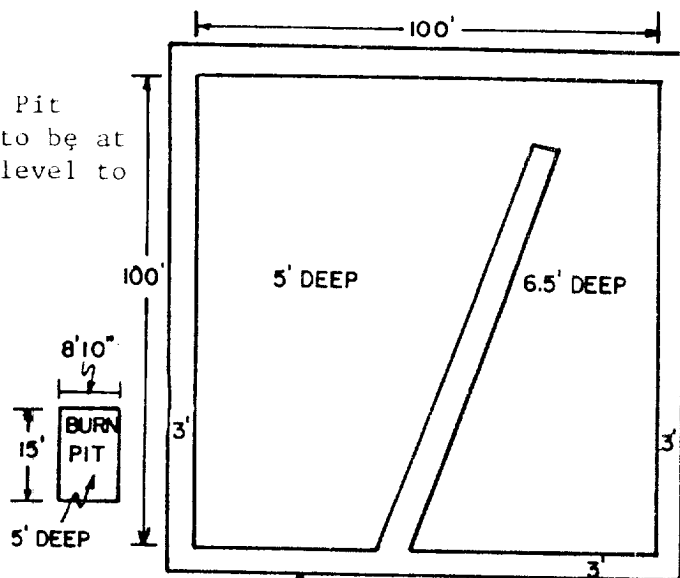


Yates Petroleum Corp
Esperanza KP 7ED #2
660' TSL + 1780' WL
Sec 26 T4S R20E
Chaves County
NM
Exhibit A

YATES PETROLEUM CORP.

Exhibit C

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



NOTE:

Inside walls must be as
high and wide as outer
walls of pit.

