

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED
SUBMIT IN THE MANNER INDICATED
NOV 03 1983
O. C. D.
ARTESIA, OFFICE

Form approved.
Budget Bureau No. 42-B1425.

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
SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 S. 4th, Artesia, New Mexico

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

At surface
660' FNL and 660' FWL

At proposed prod. zone

same

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

Approximately 18 miles east of Roswell, NM.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

1/2 mile

16. NO. OF ACRES IN LEASE

320.58

19. PROPOSED DEPTH

5050'

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

3874.5' 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
14 3/4"	10 3/4"	40.5# J-55	1550' 300	600 sx circulated
7 7/8"	4 1/2"	9.5# J-55	TD	300 sx

We propose to drill and test the Abo and intermediate formations. Approximately 300' 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 1500', Brine to 3500', Brine & KCL water to TD.

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

GAS NOT DEDICATED.

Noted on 2nd ID-1078 Book 11-11-83

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 Conner TITLE Regulatory Agent DATE 5/23/83

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY A. H. [Signature] 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.

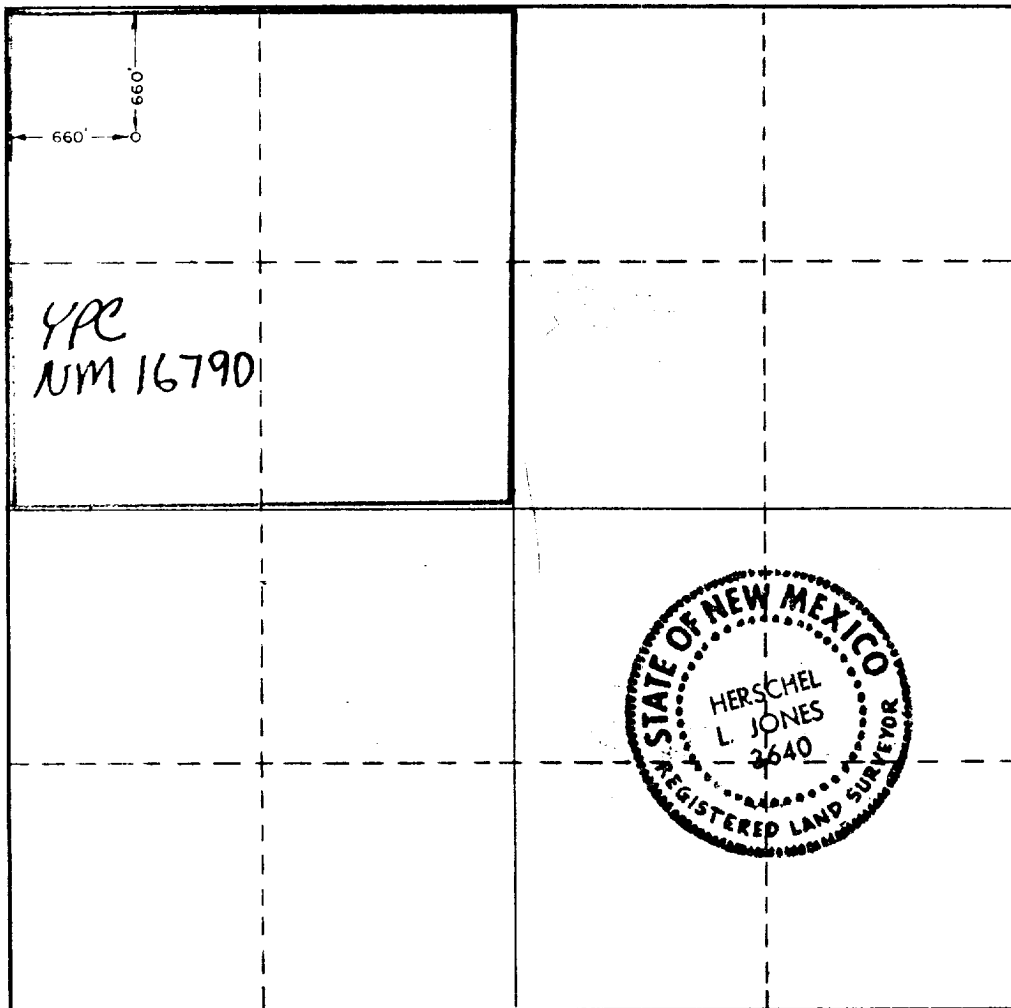
Lessor YATES PETROLEUM CORPORATION			Lease FEDERAL "IX"			Well No. 2		
Tract Letter D	Section 3	Township 9 South	Range 26 East	County Chaves				
Actual Footage Location of Well: 660 feet from the North line and 660 feet from the West line								
Ground Level Elev. 3874.5	Producing Formation Abo		Pool <i>South</i> Under Pecos Slope 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
5/19/83

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
5/17/83

Registered Professional Engineer and/or Land Surveyor

Herschel L. Jones

Certificate No. **3640**



YATES PETROLEUM CORPORATION
Federal "IX" #2
660' FNL and 660' FWL
Section 3-T6S-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.

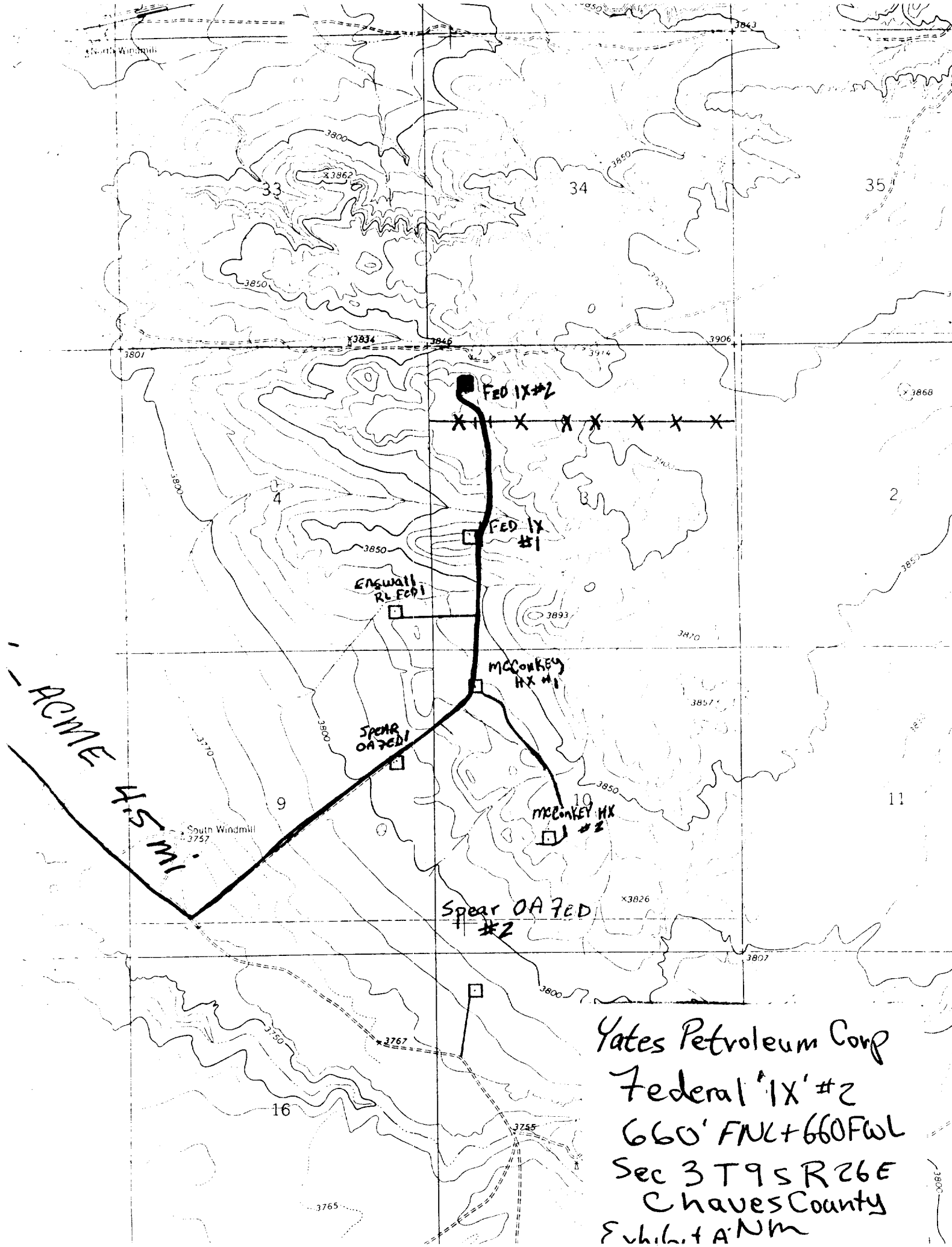
1. The geologic surface formation is sandy alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	1087'
Glorieta	2284'
Fullerton	3713'
Abo	4471'
TD	5050'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: approximately 150'- 300'

Oil or Gas: Abo 4495'
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:

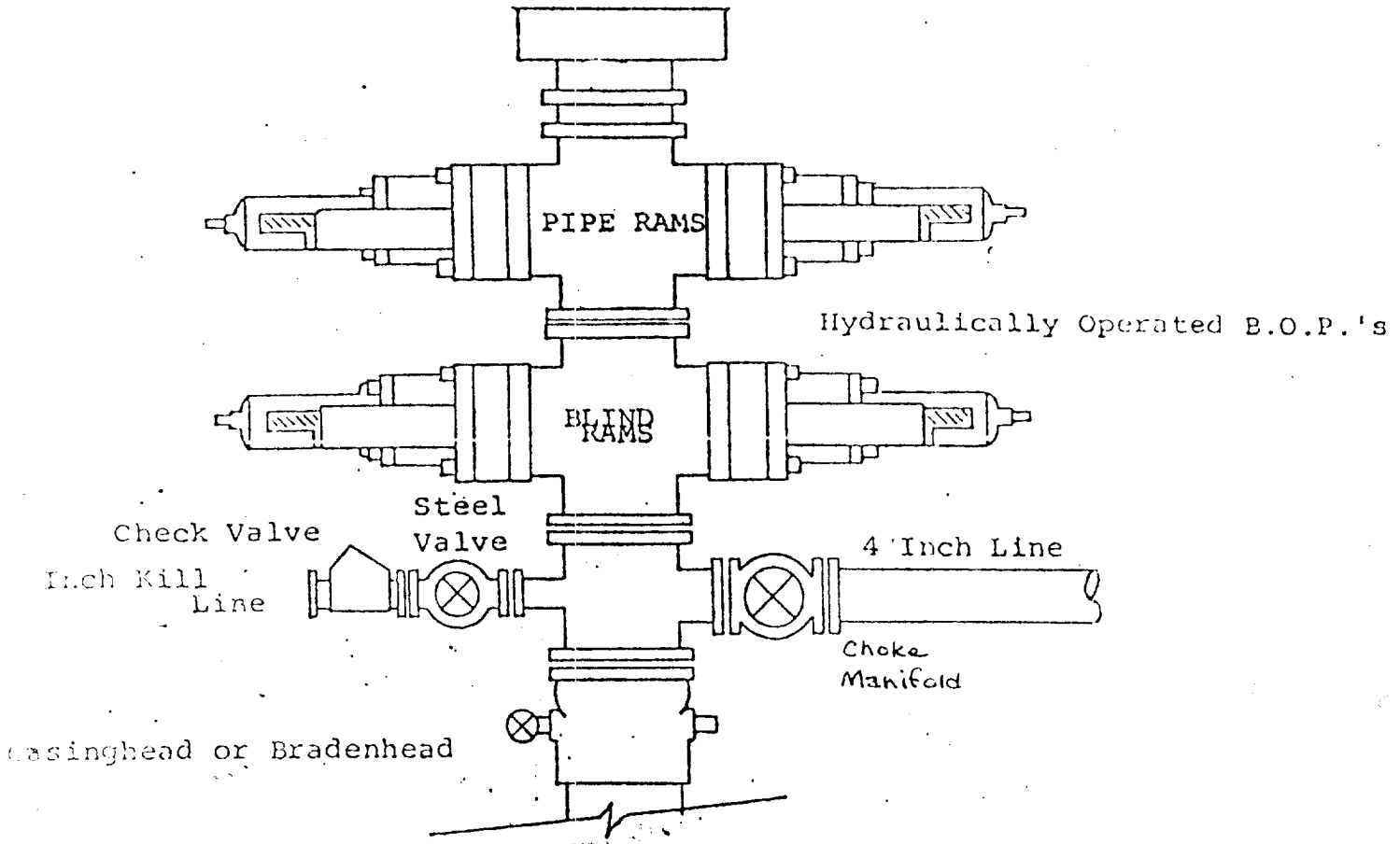
Samples: Surface casing to TD.
DST's: As warranted.
Coring: None anticipated.
Logging: CNL-FDC TD to csg w/GR-CNL to surface & DLL from TD to csg.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



Yates Petroleum Corp
 Federal 'IX' #2
 660' FNL + 660' FWL
 Sec 3 T9 S R26 E
 Chaves County
 Exhibit A'Nm

EXHIBIT B

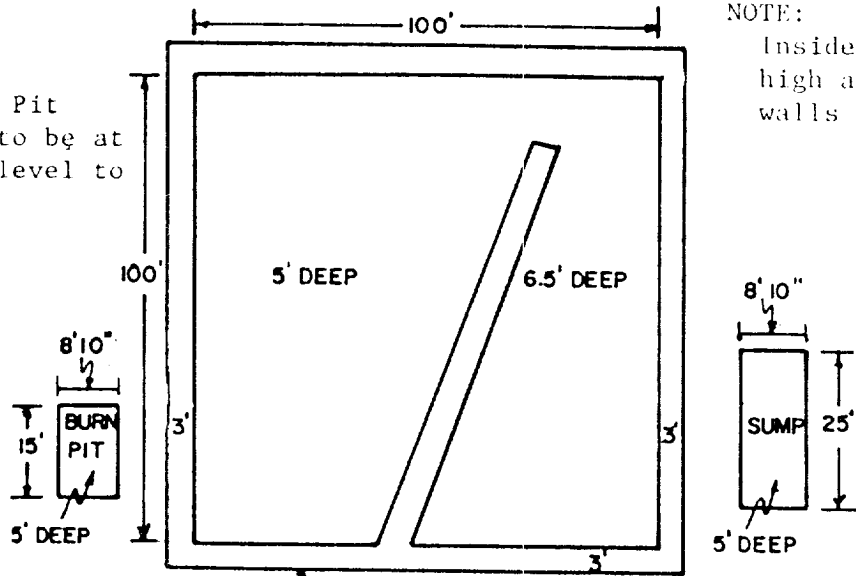
BOP DIAGRAM



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.

