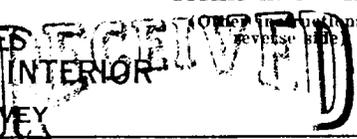


NM OIL COM. COMMISSION  
Drawer DL  
Artesia, NM 88210  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN 1 LPLICATE\*  
OTHER CONDITIONS on

Form approved.  
Budget Bureau No. 42-R1425.



APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

1a. TYPE OF WORK  
 DRILL  DEEPEN  OIL & GAS 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

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\*  
 31 miles NNE of Roswell, New Mexico

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 660'

16. NO. OF ACRES IN LEASE  
 2560

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  
 appr. 4200'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 4047.2' GL

22. APPROX. DATE WORK WILL START\*  
 ASAP

5. LEASE DESIGNATION AND SERIAL NO.  
 NM-14983

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Monaghan "QY" Federal

9. WELL NO.  
 10

10. FIELD AND POOL, OR WILDCAT  
 Under Pecos Slope Abo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
 Sec. 27-T1S-R25E

12. COUNTY OR PARISH  
 Chaves

13. STATE  
 NM

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# K-55	1000'	850 sx circ
7 7/8"	4 1/2"	9.5# K-55	TD	350 sx

Posted with 12-9-83

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 locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Cy Cowan TITLE Regulatory Agent DATE 11/18/83

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE DEC 02 1983

APPROVED BY 'Orig. Sgd.' Earl R. Cunningham TITLE District Manager DATE DEC 02 1983

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.

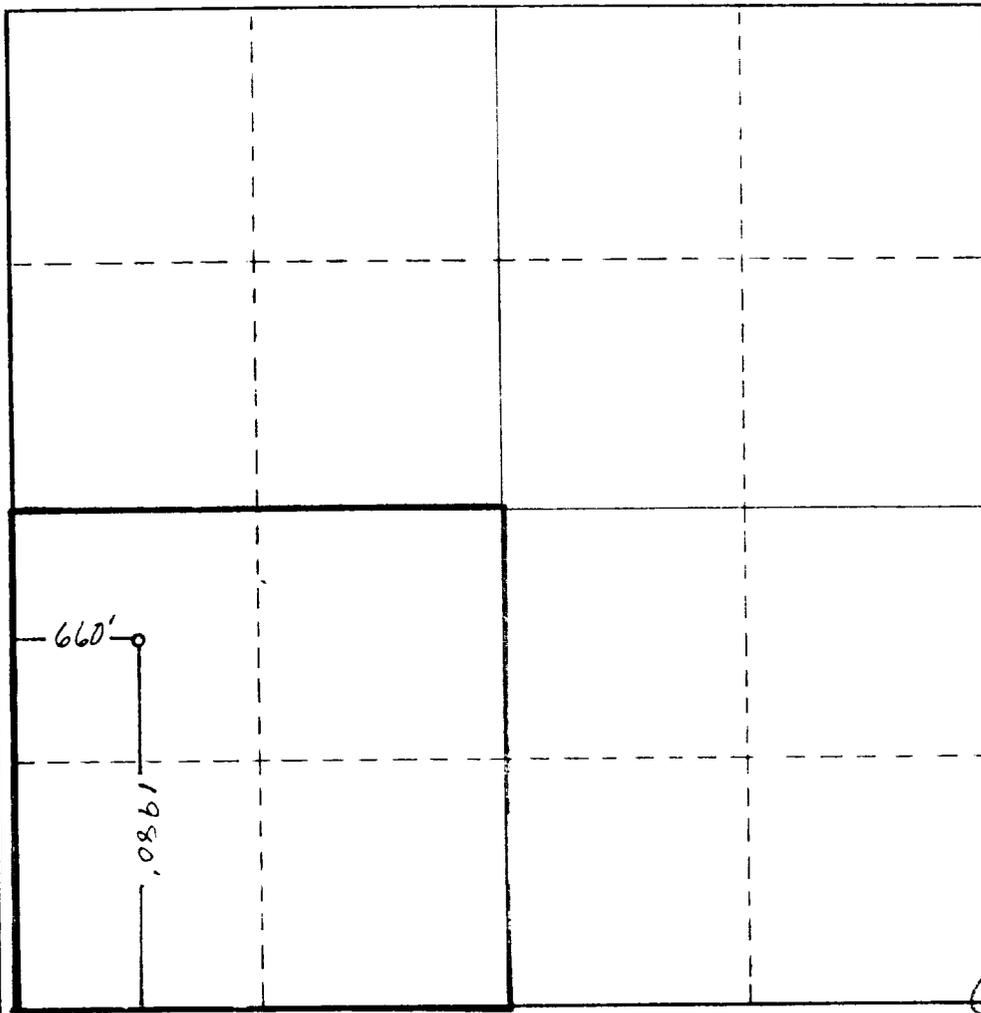
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Monaghan "QY" Federal</b>		Well No. <b>10</b>
Unit Letter <b>L</b>	Section <b>27</b>	Township <b>5 South</b>	Range <b>24 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>4047.2' 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.

*Cy Cowan*  
 Name

**Cy Cowan**  
 Position

**Regulatory Agent**  
 Company

**Yates Petroleum Corp.**  
 Date

**11/18/83**

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.

L. JONES

Date Surveyed  
**November 16, 1983**

Registered Professional Engineer  
 and/or Land Surveyor

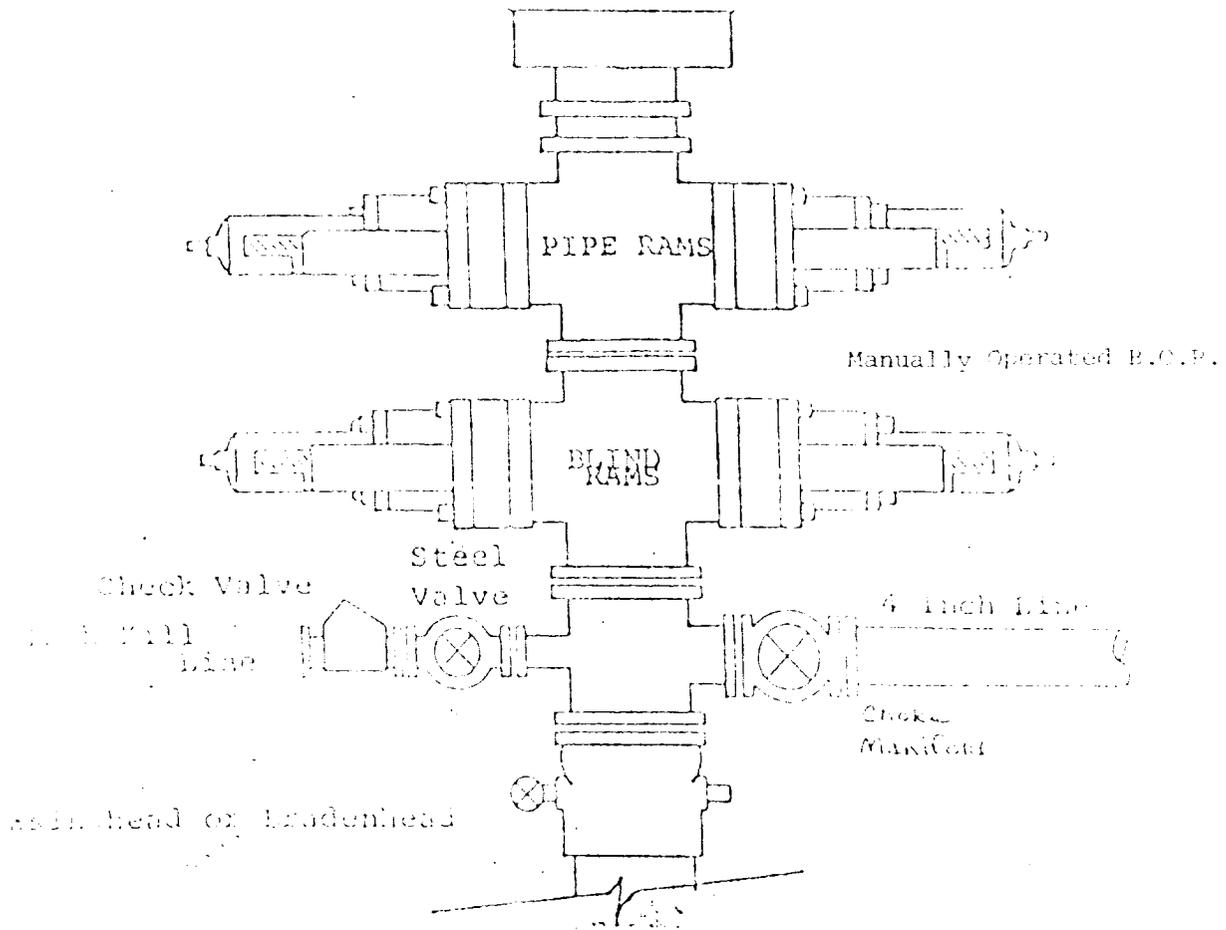
*L. Jones*  
 Certificate No. **3640**



EXHIBIT B

BOP DIAGRAM

RATED 3000<sup>#</sup>



YATES PETROLEUM CORPORATION  
Monaghan "QY" Federal #10  
1980' FSL and 660' FWL  
Section 27-T5S-R24E

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 BLM requirements.

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

San Andres	578'
Glorieta	1568'
Fullerton	2878'
Abo	3626'
TD	4200'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: appr. 250-350'

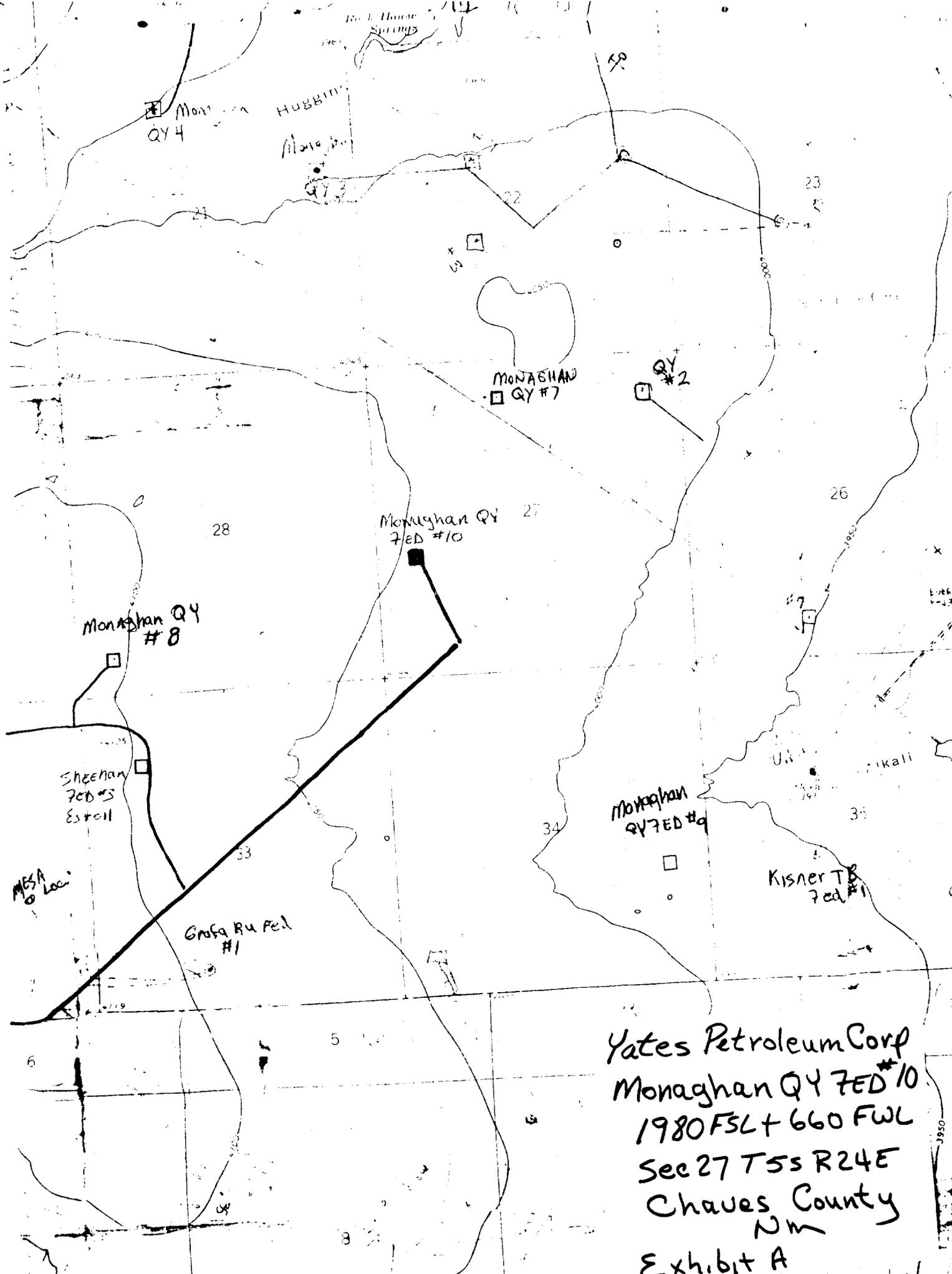
Oil or Gas: 3650' Abo
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, 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 and DLL from TD to csg.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

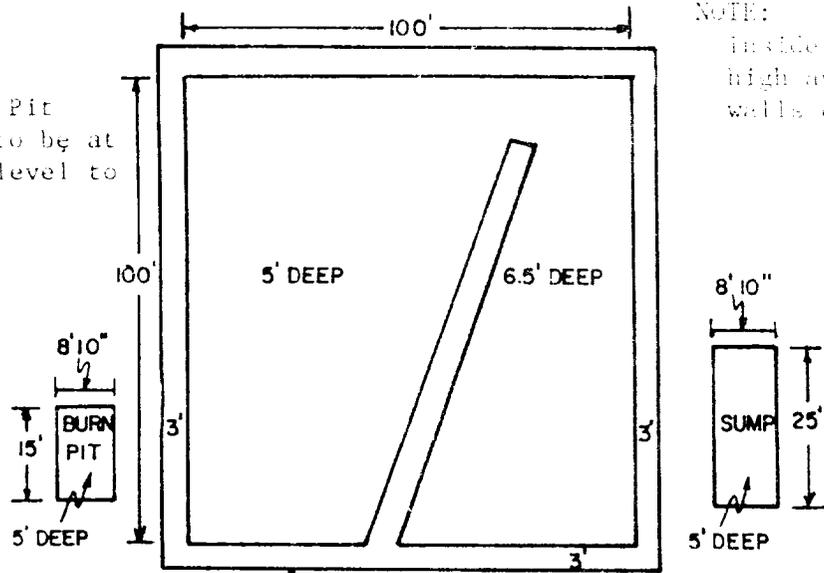


Yates Petroleum Corp  
 Monaghan QY 7ED #10  
 1980 FSL + 660 FWL  
 Sec 27 T5s R24E  
 Chaves County  
 NM  
 Exhibit A

# 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.

