

NM OIL CONS. COMMISSION
Drawer DD
Artesia, NM 88210UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-005-62326

Budget Bureau No. 42-R1420.

C/SF

LEASE DESIGNATION AND SERIAL NO.

NM-27790

IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Martin ADW Federal

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

X Pecos Slope Abo

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 34-T8S-R26E

12. COUNTY OR PARISH 13. STATE

Chaves

NM

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

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 South Fourth Street - Artesia, NM 88210

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

At surface

660' FSL and 660' FWL

At proposed prod. zone

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

Approximately 19 miles east 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'

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

1240

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

19. PROPOSED DEPTH

5000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3880.6' GR

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
12-1/4"	8-5/8"	24# K-55	Approx. 1100'	600 sacks - circulate
7-7/8"	4-1/2"	9.5# K-55	TD	300 sacks

We propose to drill and test the Abo and intermediate formations. Approximately 1100' of surface casing will be set and cement circulated to shut off gravel and cavings. 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 1100'; brine to 3500', brine, salt gel and starch to TD

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

GAS NOT DEDICATED

Tested ID:
APL, NL
4-11-86

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

Cliff R. May

TITLE

Regulatory Agent

DATE

March 20, 1986

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Phil Kirk

TITLE

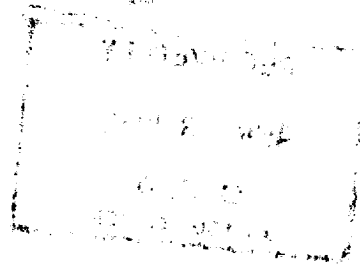
Area Manager

DATE

4-1-86

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side



San Francisco, Cal.
Post Office
P.O. No. 1000

3880.6

All distances must be from the outer boundaries of the Section.

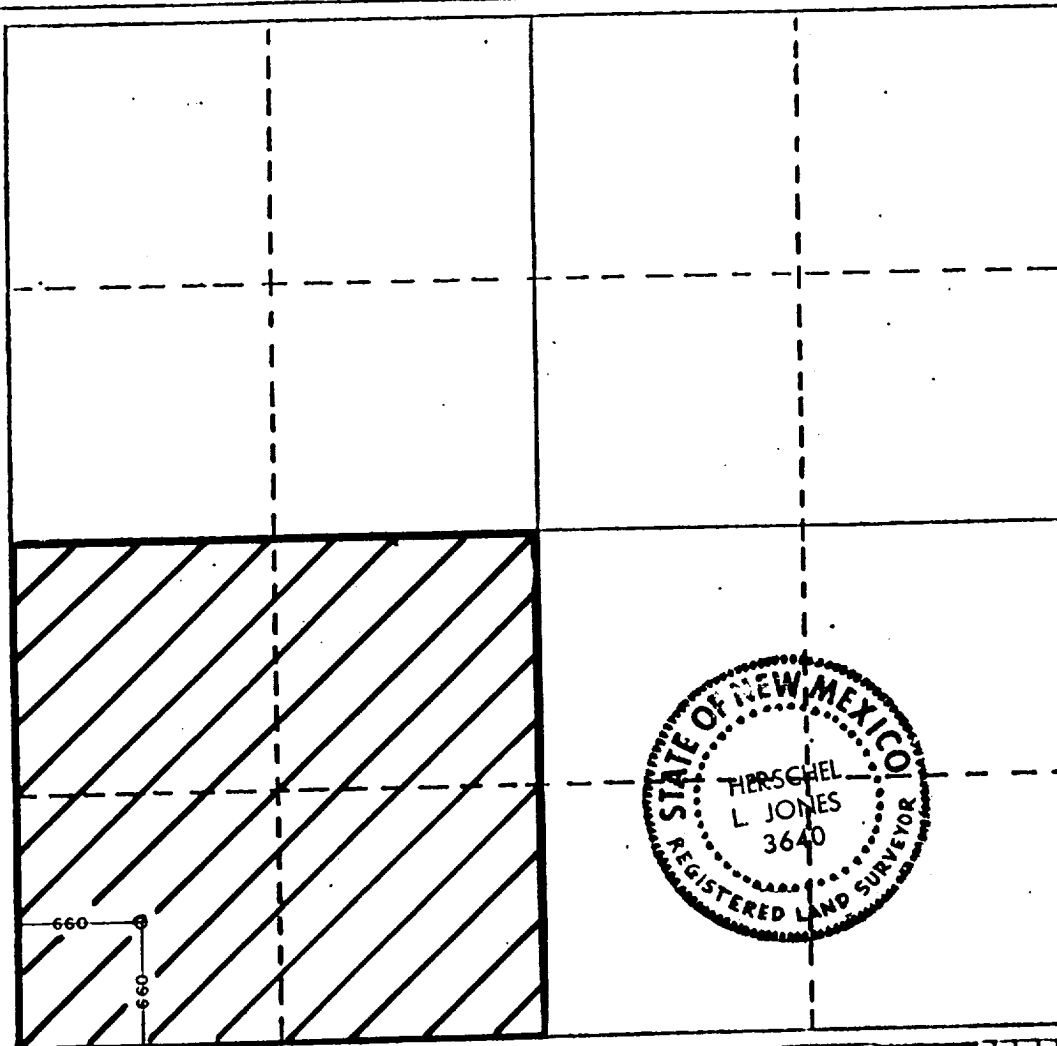
Operator Yates Petroleum Corporation			Lease Martin "ADW" Federal		Well No. #1
Unit Letter M	Section 34	Township 8 South	Range 26 East	County Chavez County	
Actual Postage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3880.6	Producing Formation Abo		Pool PEROS SLOPE Abo		Dedicated Acreage 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division



CERTIFICATION

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

Clifton R. May
Name

CLIFTON R. MAY
Position

REGULATORY AGENT
Company

YATES PETROLEUM CORP.
Date

MARCH 23, 1986

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
March 14, 1986

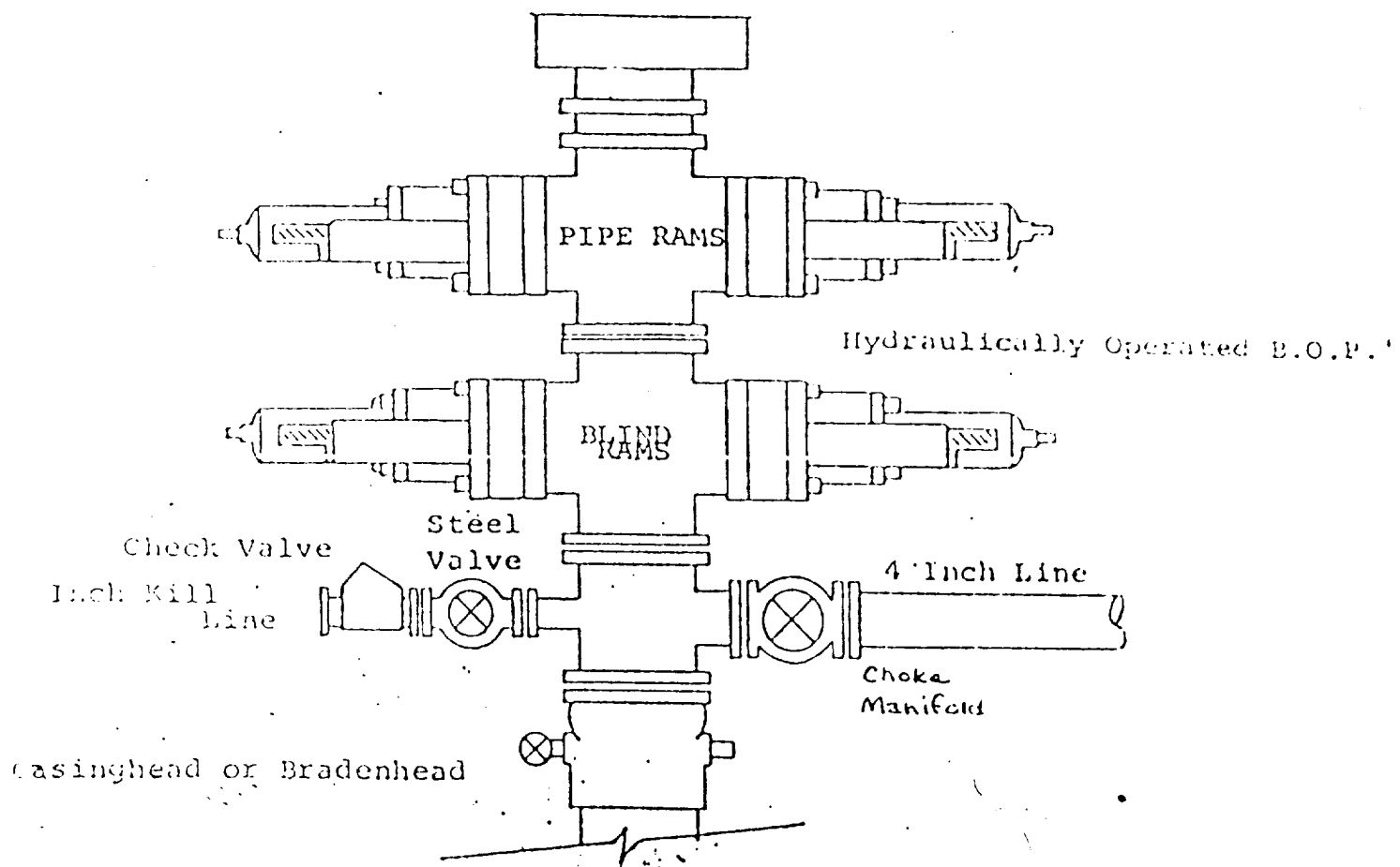
Registered Professional Engineer
and/or Land Surveyor

[Signature]
Certificate No.
#3640

EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



YATES PETROLEUM CORPORATION
Martin ADW Federal #1
660' FSL and 660' FWL of
Section 34-8S-26E
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Company 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	1140'
Glorieta	2225'
Yeso	2285'
Fullerton	3701'
Abo	4440'
TD	5000'

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 4460'

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 from TD to casing with GR-CNL to surface & DLL from TD to casing
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

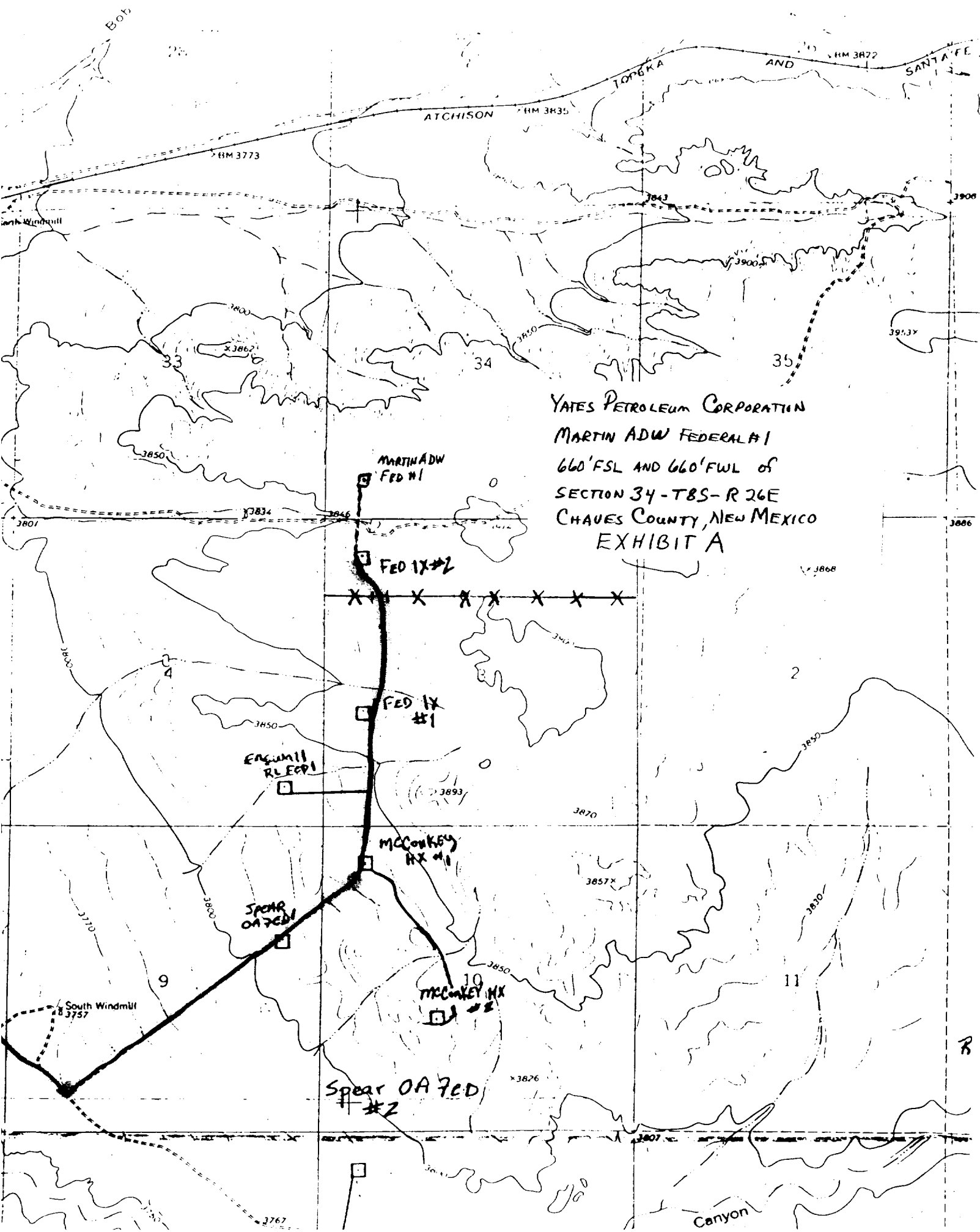


EXHIBIT C

