

P. O. BOX 208
SANTA FE, NEW MEXICO 87501

Form C-101
Revised 10-1-78

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LAND OFFICE	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>

AUG 10 1987

O. C. D.

5A. Indicate Type of Lease

STATE ☒ FEE ☐

5. State Oil & Gas Lease No.

LG-9575

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"/>		7. Unit Agreement Name
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name China Draw AEP State
2. Name of Operator Yates Petroleum Corporation		9. Well No. 3
3. Address of Operator 105 South Fourth Street - Artesia, NM 88210		10. Field and Pool, or Wildcat West Pecos Slope Abo
4. Location of Well UNIT LETTER <u>H</u> LOCATED <u>1650</u> FEET FROM THE <u>North</u> LINE AND <u>896</u> FEET FROM THE <u>East</u> LINE OF SEC. <u>36</u> TWP. <u>6S</u> RGE. <u>22E</u> NMPM		12. County Chaves
19. Proposed Depth 3200'		19A. Formation Abo
20. Rotary or C.T. Rotary		21. Elevation (Show whether DE, RT, etc.) 4161.3' GR
21A. Kind & Status Plug. Bond Blanket		21B. Drilling Contractor Undesignated
22. Approx. Date Work will start ASAP		

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	None		400'		
12-1/4"	8-5/8"	24# K-55	900'	450 sacks	Circulate
7-7/8"	4-1/2"	9.5# K-55	TD	350 sacks	

If severe hole problems occur, we will use this program:

17-1/2" hole with 13-3/8" casing to 400', with cement circulated
12-1/4" hole with 8-5/8" casing to 900', with cement circulated
7-7/8" hole with 4-1/2" casing to TD.

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 1200'; brine to 2900'; starch and drispak to TD.

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

Post ID-1
NL API
8-11-87

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Clifton R. May Title Regulatory Agent Date August 6, 1987

(This space for State Use)
Original Signed By

Les A. Clements

APPROVED BY Supervisor District 11 TITLE DATE AUG 11 1987

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 2-11-88
UNLESS DRILLING UNDERWAY

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-4-65

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

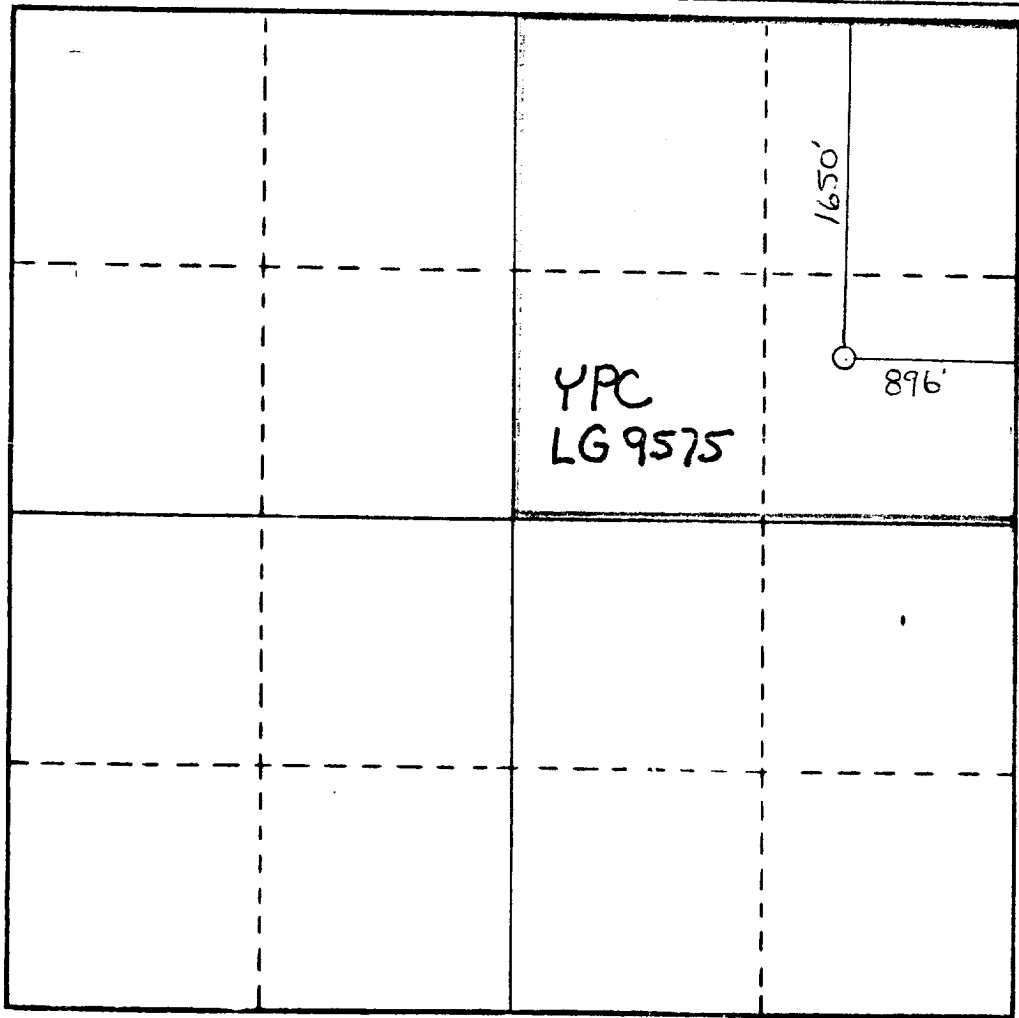
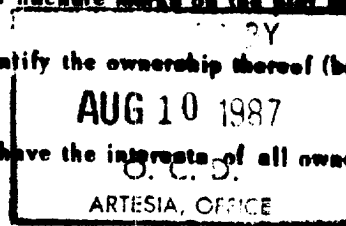
Operator YATES PETROLEUM CORPORATION			Lease CHINA DRAW "AEP" STATE		Well No. 3
Unit Letter H	Section 36	Township 6 South	Range 22 East	County Chaves	
Actual Footage Location of Well: 1650' feet from the North line and 896' feet from the East line					
Ground Level Elev. 4161.3	Producing Formation ABO		Dedicated Acreage West Pecos Slope ABO		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 Commission.



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 Corporation

Date
August 6, 1987

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 Submitted
June 11, 1988
Registered Professional Engineer and/or Land Surveyor
3640

Certificate No. **3640**

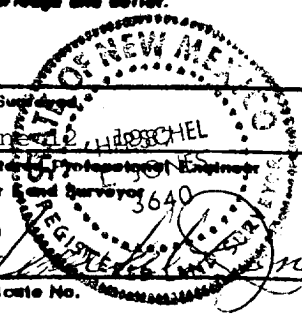


EXHIBIT B

BDP DIAGRAM

RATED 3000[#]

