STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT		IL CONSERVATION DIVISIO. P. O. BOX 2083				30-005-6255 3 Form C-1010-1-78		
SANTA FE ,	SA	SANTA FE, NEW MEXICO 87501 OCT 21 '87				SA. Indicate Type of Laase		
U.S.G.S.  LAND OFFICE  OPERATOR		O. C. D. ARTESIA, OFFICE				S. State OH & Gas Loune No.  LG-8138		
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK								
la. Type of Work  DRILL X	Type of Well  DRILL X  DEEPEN PLUG BACK PLUG BACK						7. Unit Agreement Name Hard as Nails State Uni 8. Farm or Lease Name	
l	GAS X OTHER SINGLE MULTIPLE ZONE ZONE						HARD AS NAILS ST. UT.	
2. Name of Operator						9. Well No.		
Yates Petroleum  3. Address of Operator	n Corporation	·				10. Field cr	1 nd Pool, or Wildcat	
105 South Fourth Street - Artesia, NM 88210						Pecos Slope Abo		
4. Location of Well Unit Letter J Located 1980 FEET FROM THE SOUTH LINE								
AND 1980 FEET FROM	ethe East Li	NE OF SEC. 27	NP. 9S RGE.	. 26I	NMPM			
AND 1980 FEET FROM		NE OF SEC. 2		777	<del></del>	12. County	<del>, , , , , , , , , , , , , , , , , , , </del>	
				777		Chaves		
			9. Proposed Depth	15	A. Formation		20. Retary or C.T.	
			5200'		Abo		Rotary	
1. Elevations Show whether Dr			IB. Drilling Contra				. Date Work will start	
3803.2' GR Blanket Undesignated						I AS.	<u>AP</u>	
	F	PROPOSED CASING AND	CEMENT PROGRA	M				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	<del></del>				EST. TOP	
12-1/4"	8-5/8"	24# K-55	Approx. 100		600 sac		Circulate	
7-7/8"	4-1/2"	9.5# J-55		CD	450 sad	cks		
	1	i	l	i				
1000' of surfac cavings. If co	rill and test the casing will be mmercial, produced and stimulate	e set and cement ction casing wil	circulated 1 be run and	to s l cem	hut off	gravel a	and	
	W gel & LCM to 1 o TD	L000', brine to	3500', brine	e, sa	ılt waten	gel & s	starch	
BOP PROGRAM: B	OP's will be tes	sted daily and i	nstalled at	the	offset.		711	
e e		<b>3</b> ,					$(x,y) = (x+y)^{\frac{1}{2}} f$	
GAS NOT DEDICAT	<u>ED</u>			-	-	in FCR	<u>/80</u> DAYS -22-88	
						4	·2 z - <u>8</u> 8	
						in J UN	IDERWAY	
N ABOVE SPACE DESCRIBE PR IVE 20HE. GIVE BLOWOUT PREVENT	OPOSED PROGRAMI IF ER PROGRAM, IF ANY.	PROPOSAL IS TO DEEPEN OR	PLUG BACK, GIVE DA	TA OH	PRESENT PACE	SUCTIVE ZONE	AND PROPOSED NEW PRODUC	
hereby certify that the information	on above is true and comp	olete to the best of my kny	wledge and bellef.			<del> </del>		
iened Clifton R	. May	TuleRegul	atory Agent		D	are Ontol	ber 14, 1987	
(This space for S	Original Signed  Mike Williams	Ву				00	CT 2 2 1987	
PPROVED BY	Oil & Gas Inspe	CTOF			D	ATE		

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

Rom C-102 Supersedes C-128 Effective 1-1-65

All distances must be from the outer boundaries of the Bestian Well No. YATES PETROLEUM CORPORATION HARD AS NAILS STATE UNIT Unit Letter Section Township Honge County J 27 9 South 26 East Chaves Actual Footage Location of Welts 1980 South 1980 leet from the East 3803.2 Producing Formation 160 Acres 1. Outline the acreage dedicated to the subject well by colored peacil or hackers 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 intercets of all owners been consolidated by communitization, unitization, force-pooling, etc? Yes No If maswer is "yes," type of consolidation 18 70 BE COMMUNITIZED If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, as etherwise) or until a non-standard unit, climinating such interests, has been approved by the Commission. CERTIFICATION Clifton R. May Regulatory Agent Yates Petroleum Corporation October 14, 1987 LG-813 1980 D EPCO Rate Surveyed LG-4921 10/12/87 3640 1320 1690 1000 2310 2000 900

## EXHIBIT B

## BOP DIAGRAM RATED 3000#

