

Artesia, UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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 ☐

RECYCLED  
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street - Artesia, NM 88210

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

At surface 1980' FNL and 660' FEL

At proposed prod. zone  
Same

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

Approximately 21 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'

16. NO. OF ACRES IN LEASE

320.42

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.

2640'

19. PROPOSED DEPTH

5050'

20. ROTARY OR CABLE TOOLS

Rotary

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

3861' 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# J-55	Approx. 950'	550 sacks - circulate
7-7/8"	4-1/2"	9.5# J-55	TD	300 sacks

We propose to drill and test the Abo and intermediate formations. Approximately 950' 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 950', brine to 4200', salt gel and starch 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

Clifton R. May

TITLE

Regulatory Agent

DATE

11-25-87

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Levi Deike, Acting

TITLE

Area Manager

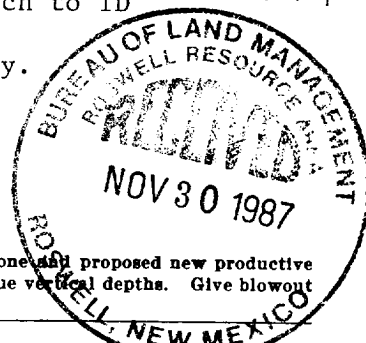
DATE

DEC 10 1987

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR  
CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE  
TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD  
ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.  
Section 1009, makes it a crime for any person knowingly and fraudulently to make to any department or agency of the  
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION  
OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT  
IN ADVANCE.



**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.

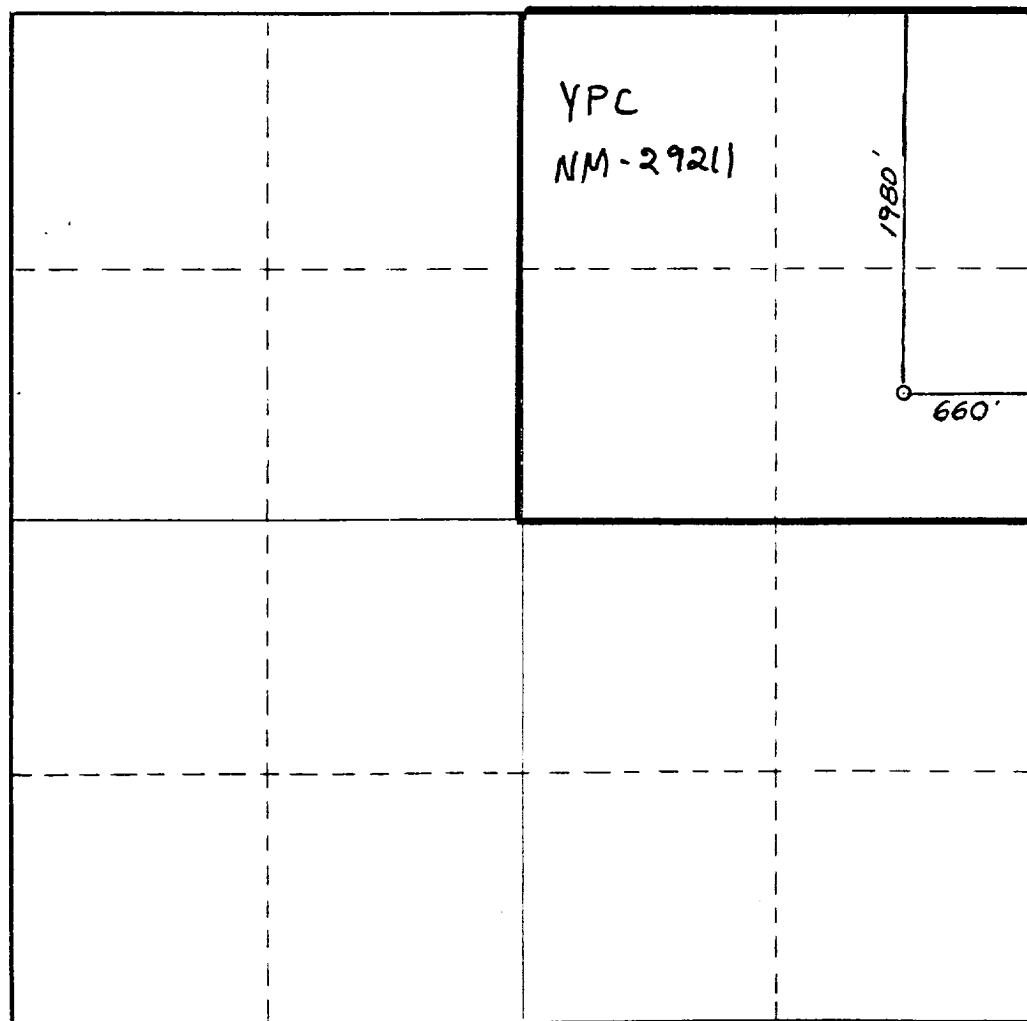
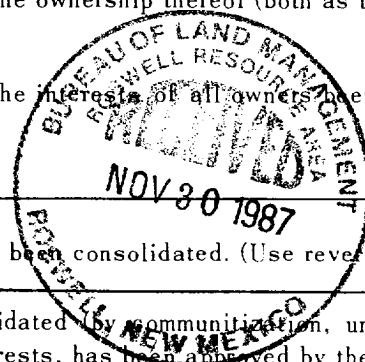
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Engwall RL Federal</b>		Well No. <b>2</b>
Unit Letter <b>H</b>	Section <b>4</b>	Township <b>9 South</b>	Range <b>26 East</b>	County <b>Chaves County, N.M.</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span><b>1980</b> feet from the <b>North</b> line and</span> <span><b>660</b> feet from the <b>East</b> line</span> </div>					
Ground Level Elev. <b>3861.</b>	Producing Formation <b>Abo</b>		Pool <b>5. PECOS SLOPE Abo</b>	Dedicated Acreage: <b>160</b> 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.

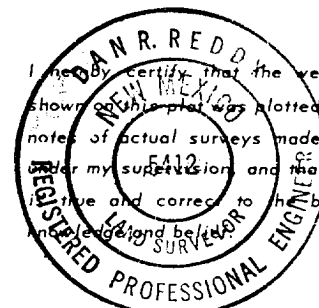
*Clifton R. May*  
Name  
**Clifton R. May**

Position  
**Regulatory Agent**

Company  
**Yates Petroleum Corporation**

Date  
**November 25, 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.

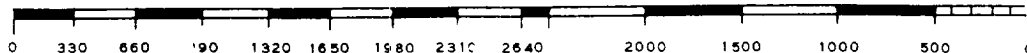


Date Surveyed  
**November 23, 1987**

Registered Professional Engineer and/or Land Surveyor

*Dan R. Reddy*  
Certificate No.

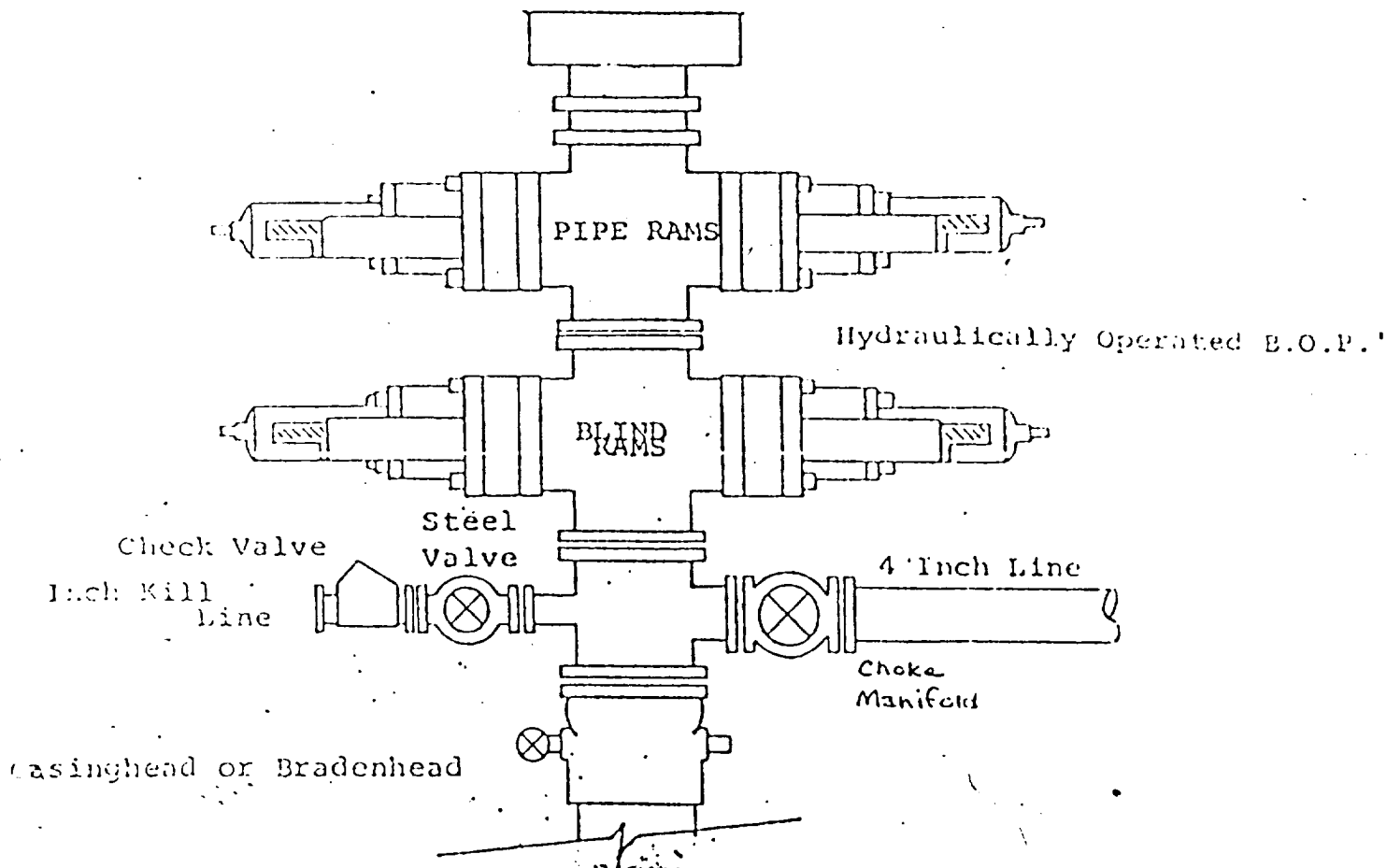
**NM PE&LS NO. 5412**



# EXHIBIT B

## BDP DIAGRAM

### RATED 3000 #



YATES PETROLEUM CORPORATION  
Engwall RL Federal #2  
1980' FNL and 660' FEL of  
Section 4-T9S-R26E  
Chaves County, New Mexico



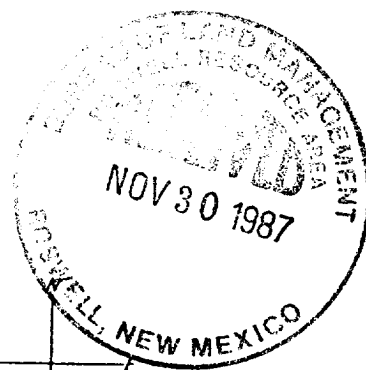
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

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

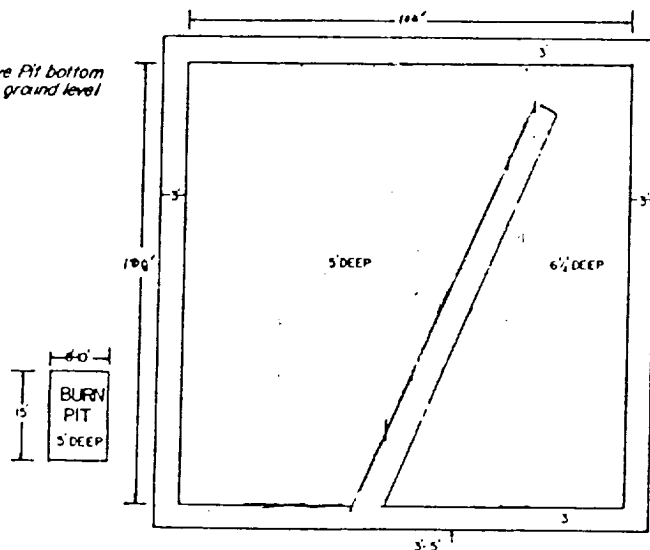
San Andres	1019'
Glorieta	2159'
Yeso	2219'
Abo	4419'
TD	5050'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:  
  
Water: Approximately 150 - 280'  
Oil or Gas: Abo 4439'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: 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:  
  
DST's: As warranted  
Logging: CNL/LDC from TD to casing with GR-CNL on to surface; DLL from TD to casing  
Samples: 10' intervals out from under surface casing to TD  
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

# YATES PETROLEUM CORPORATION

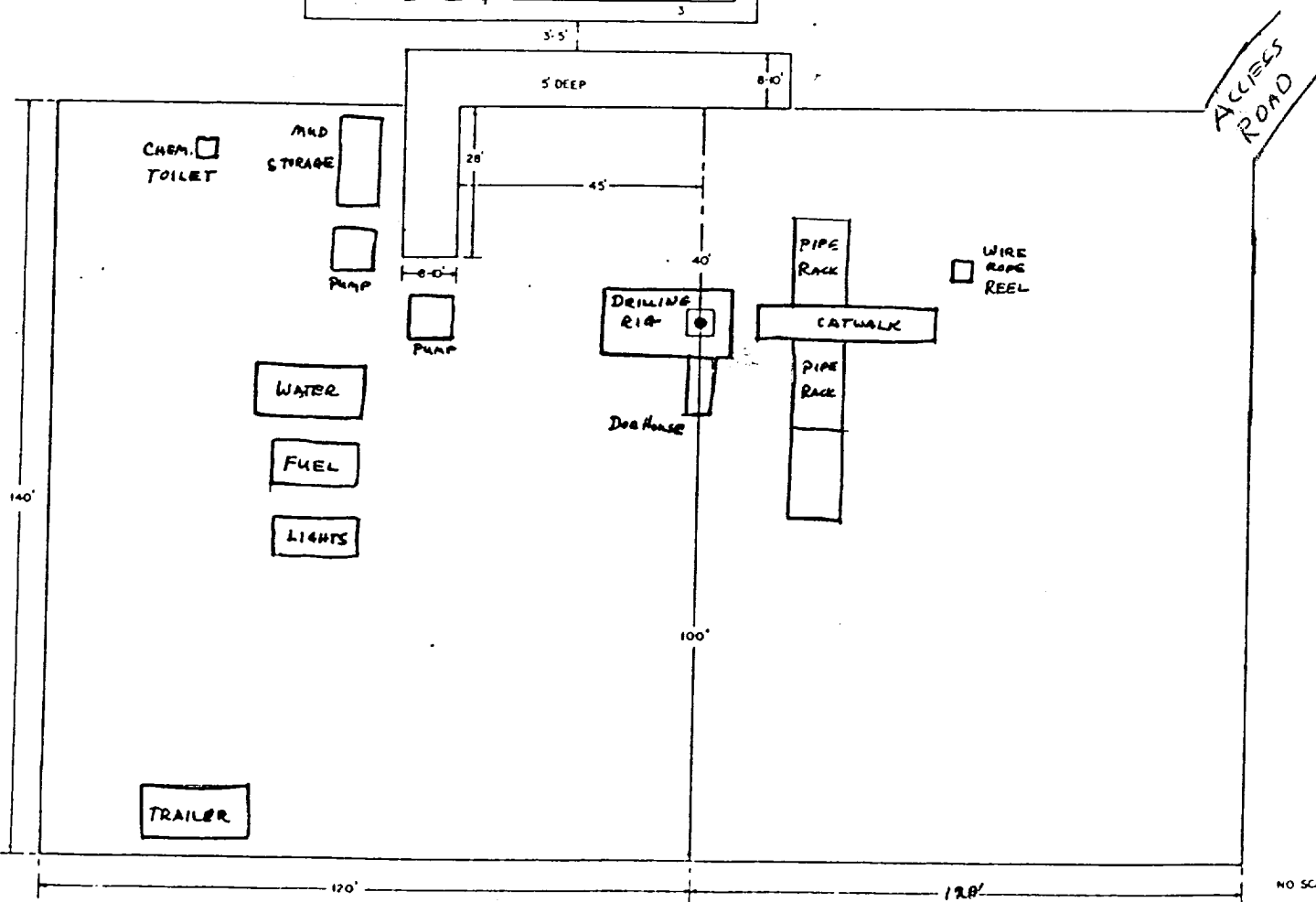
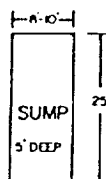
## EXHIBIT C

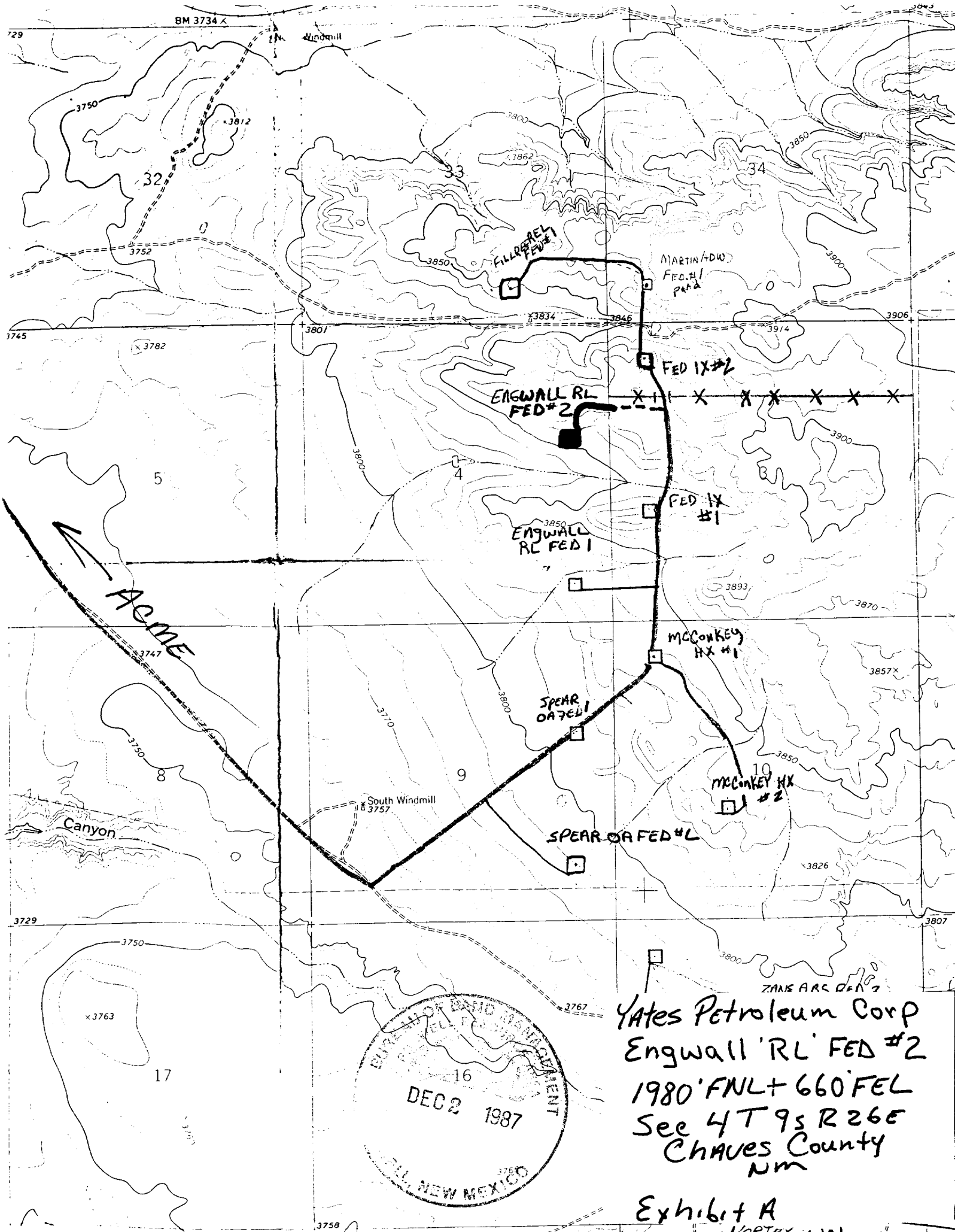


Reserve Pit bottom  
to be at ground level  
to -1 ft.



NOTE:  
Inside walls must be as  
high and wide as outer  
walls of pit.





Yates Petroleum Corp  
Engwall 'RL' FED #2  
1980' FNL + 660' FEL  
See 4T 9s R 26E  
Chaves County  
NM

Exhibit A

NORTH X WIN