

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 ☐ MULTIPLE 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 1780' FNL and 1980' FEL
At proposed prod. zone
5. LEASE DESIGNATION AND SERIAL NO.
NM 27791
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Zane ABS Federal Com
9. WELL NO.
2
10. FIELD AND POOL, OR WILDCAT
Pecos Slope Abo
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Section 15-T9S-R26E
12. COUNTY OR PARISH
Chaves
13. STATE
NM
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)
Approx. 450'
16. NO. OF ACRES IN LEASE
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.
Approx. 2900'
19. PROPOSED DEPTH
5000'
20. ROTARY OR CABLE TOOLS
Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3790' GR
22. APPROX. DATE WORK WILL START*
ASAP

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. 950'	550 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 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

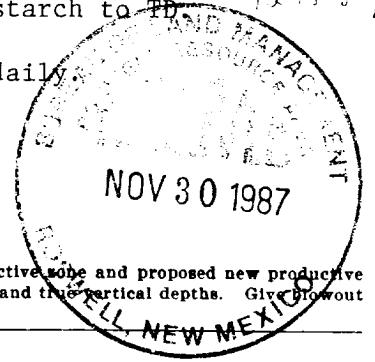
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Clifton R. May TITLE Regulatory Agent DATE November 23, 1987
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY S/Homer Meyer, Acting TITLE Area Manager DATE DEC 11 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.

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 COM. SION
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 YATES PETROLEUM CORPORATION			Lease Zané ABS Federal Com		Well No. 2
Unit Letter G	Section 15	Township 9 South	Range 26 East	County Chaves County, N.M.	
Actual Footage Location of Well: 1980 feet from the East line and 1780 feet from the North line					
Ground Level Elev. 3790.	Producing Formation Abo		Pool S. PECOS SLOPE Abo		Dedicated Acreage: 160 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 **NOT COMMUNITIZED**

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 20, 1987



Date Surveyed
November 18, 1987

Registered Professional Engineer
 and/or Land Surveyor

Dan R. Reddy
 Certificate No.
NM PE&LS NO. 5412

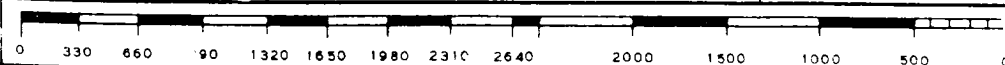
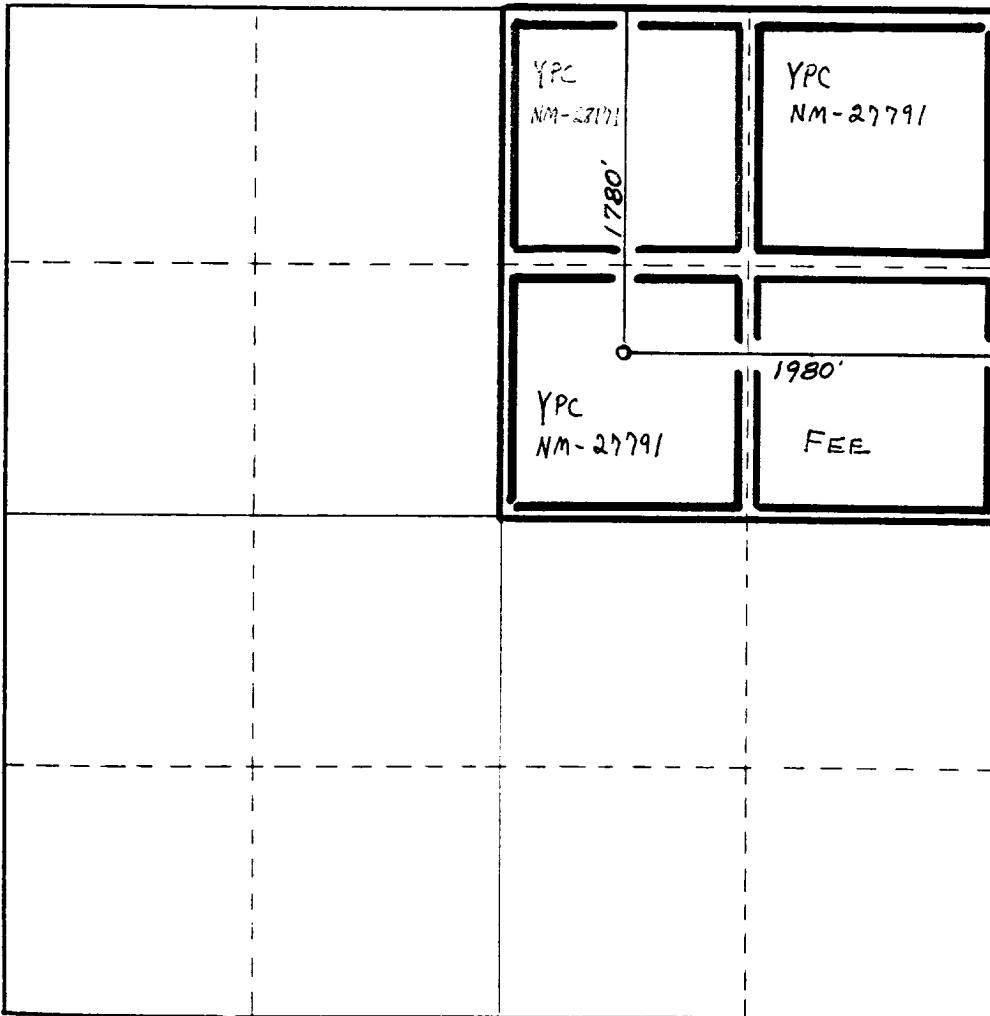
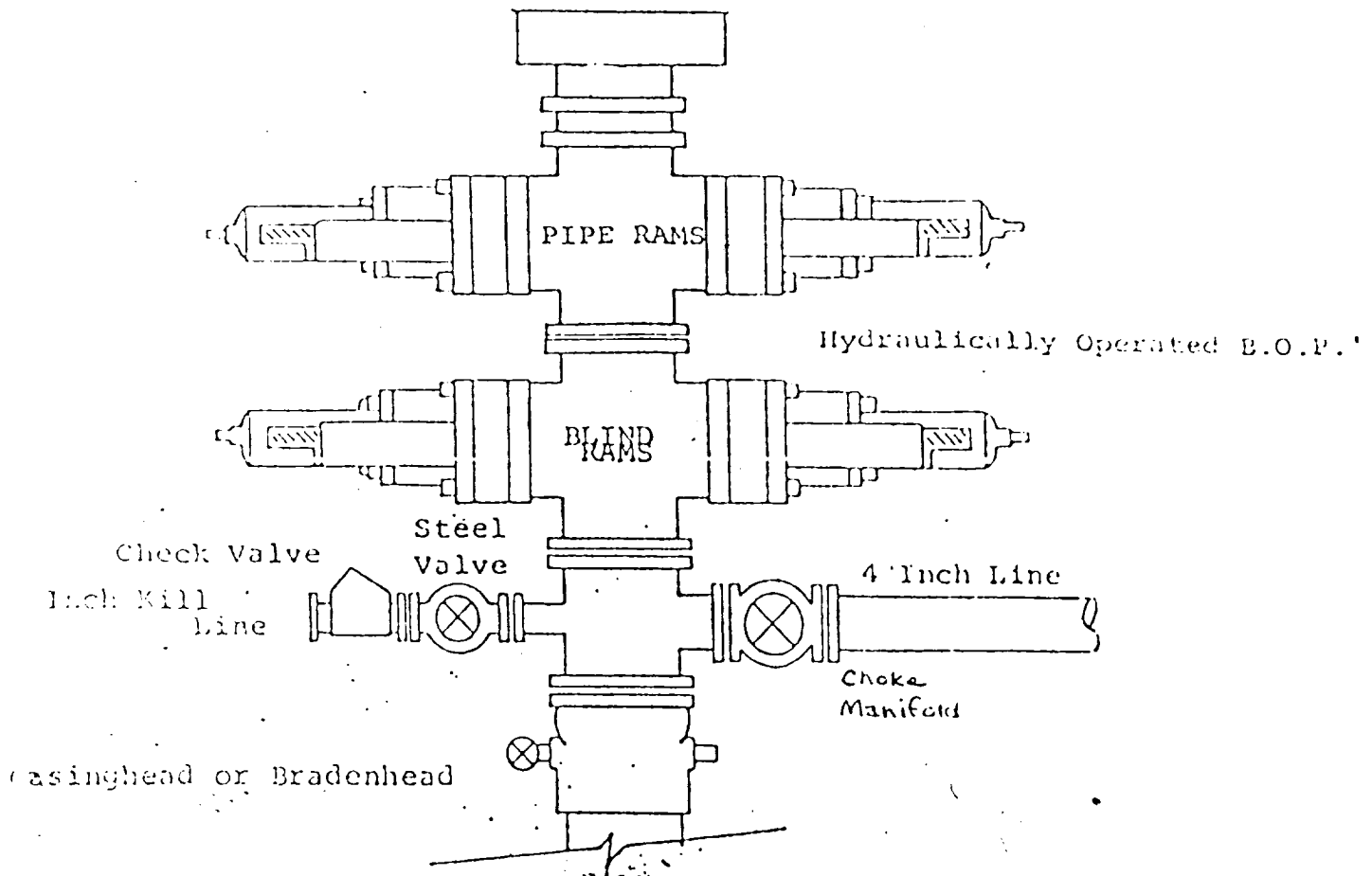


EXHIBIT B
BDP DIAGRAM
RATED 3000[#]



YATES PETROLEUM CORPORATION
Zane ABS Federal #1
1780' FNL and 1980' FEL of
Section 15-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	1001'
Glorieta	2145'
Yeso	2205'
Abo	4388'
TD	5000'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

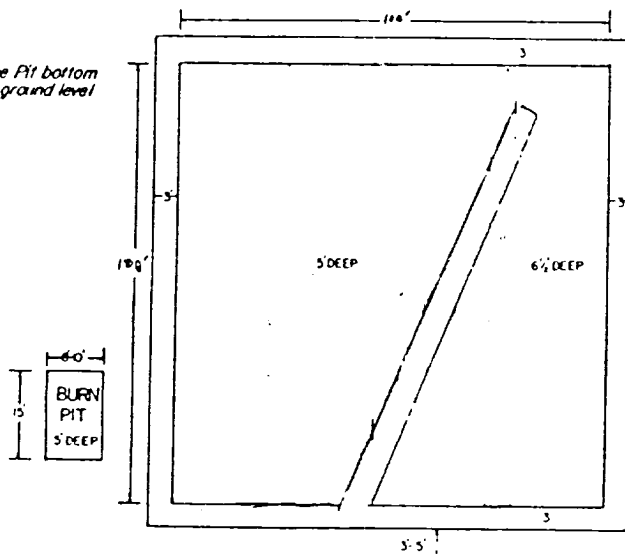
Water: 150-280'
Oil or Gas: 4400'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly cock, pit level indicators and flow sensor equipment; sub with full opening valve on floor, drill pipe connection.
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.

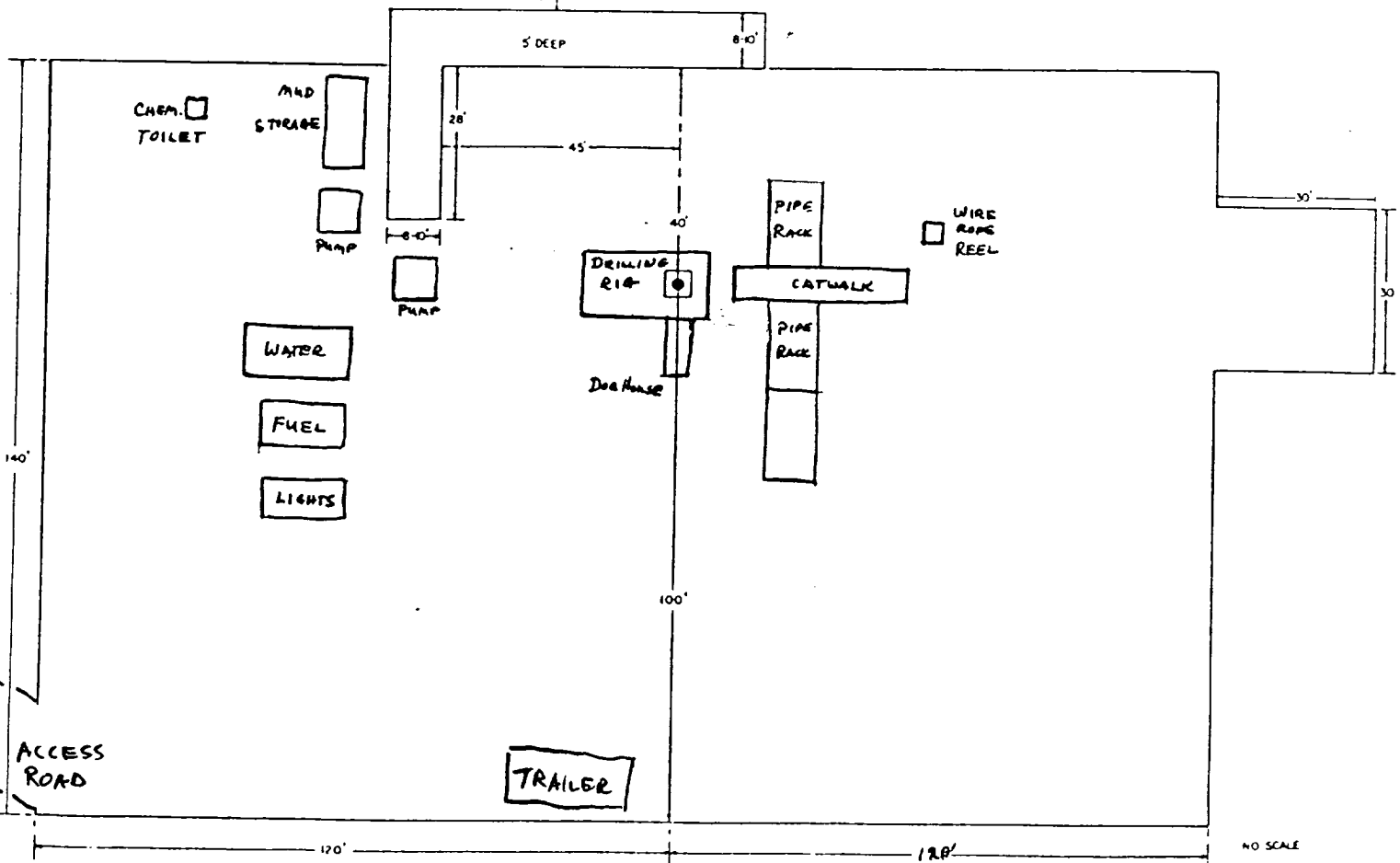
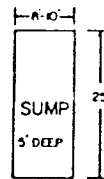
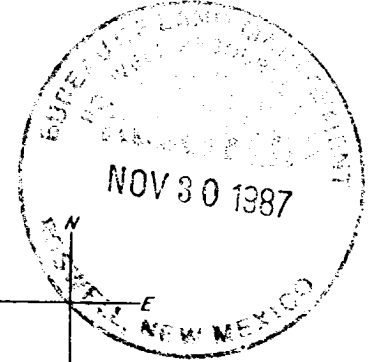
YATES PETROLEUM CORPORATION

EXHIBIT C

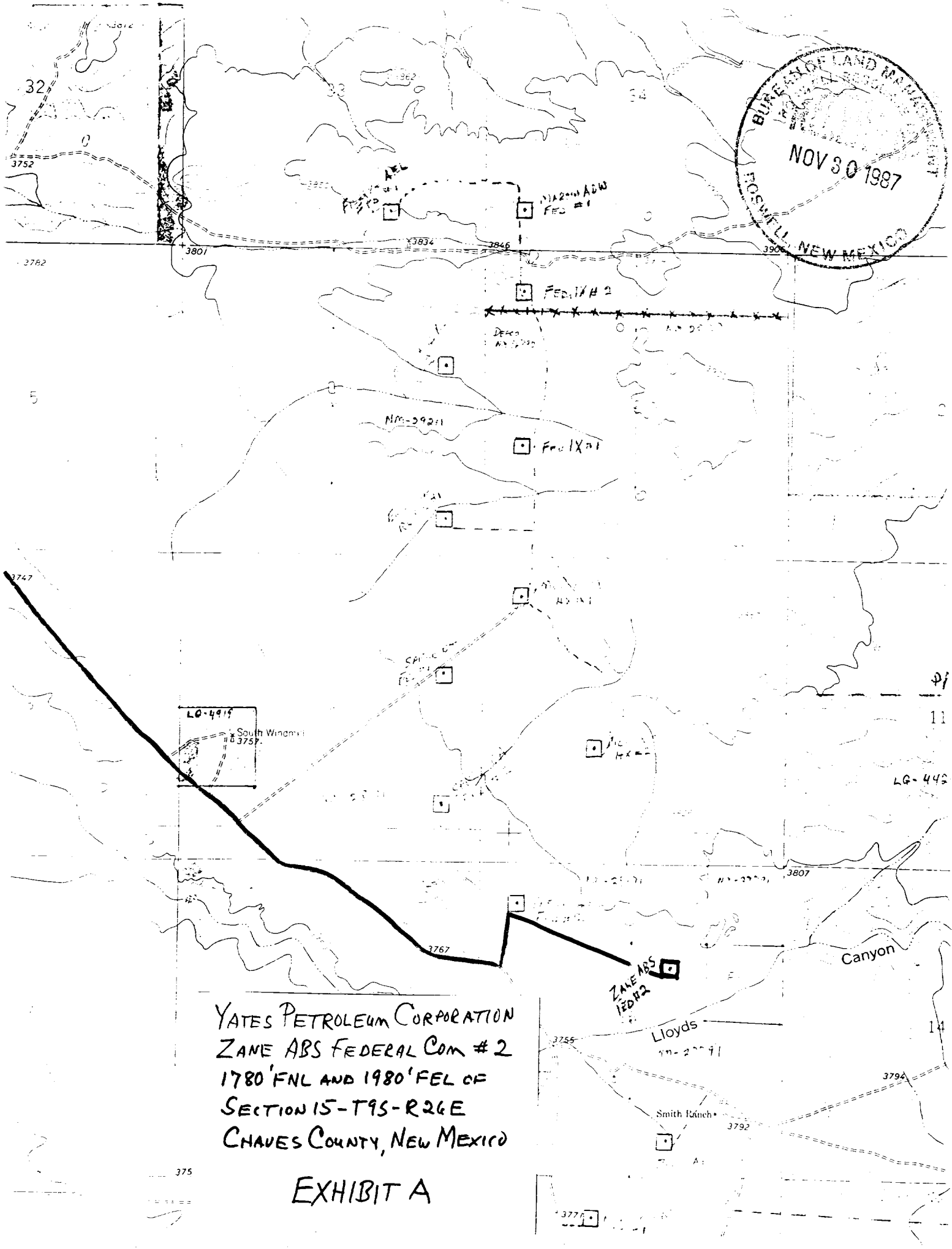
Reserve Pit bottom
to be at ground level
to -1 ft.



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



NO SCALE



YATES PETROLEUM CORPORATION
ZANE ABS FEDERAL COM #2
1780' FNL AND 1980' FEL OF
SECTION 15-T9S-R26E
CHAVES COUNTY, NEW MEXICO

EXHIBIT A