

**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK **DRILL** ☒ Re-entry **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 **207 South 4th St., Artesia, NM 88210**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface **660' FSL & 1980' FEL, Sec. 33-15S-26E**
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
11 mi NE of Artesia

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED TO THIS WELL **40**

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH **1800'**

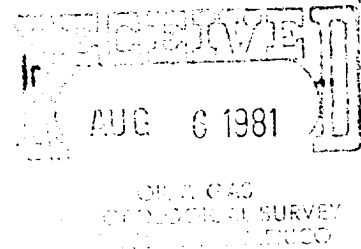
20. ROTARY OR CABLE TOOLS **Reverse Unit**

21. ELEVATIONS (Show whether DF, RT, GR, etc.) **3432' GL**

22. APPROX. DATE WORK WILL START* **Soon as approved**

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	301	Circulate
12-1/4"	8-5/8"	24#	1390	Circulate
7-7/8"	4-1/2"	9.5#	1800	200 sx

Propose to re-enter this well, run 4-1/2" casing and cement back into the 8-5/8" casing, perforate and stimulate the San Andres interval 1510-1680, attempt to establish production.



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 Eddie M. Halford TITLE Engineer DATE 8-4-81

(This space for Federal or State office use)

PERMIT NO. **APPROVED** APPROVAL DATE _____

APPROVED BY Roger A. Chapman TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY **AUG 13 1981**

for JAMES A. GILLHAM
DISTRICT SUPERVISOR *See Instructions On Reverse Side

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.

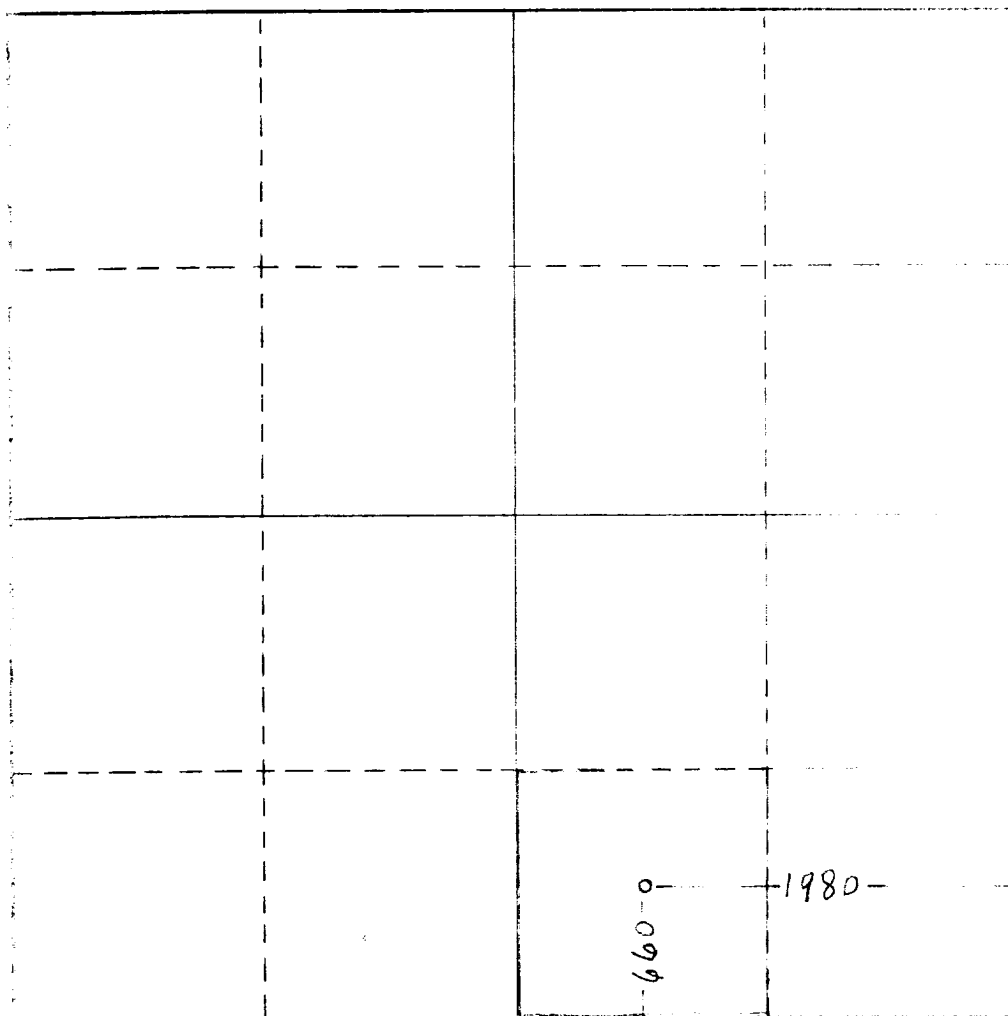
Operator Yates Petroleum Corp		Lease Riverbend HR Federal		Section 1	
Unit Letter 0	Section 33	Township 15-S	Range 26E	County Chaves	
Actual Footage Location of Well: 660 feet from the South line and 1980 East					
Ground Level Elev. 3422	Producing Formation San Andres		Well Wildcat	Acreage 40	

1. Outline the acreage dedicated to the subject well by colored pencil or other 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 not 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.

Eddie M. Mahfood
Eddie M. Mahfood
Engineer

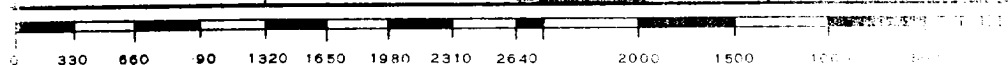
Yates Petroleum Corp
Date
8-3-81

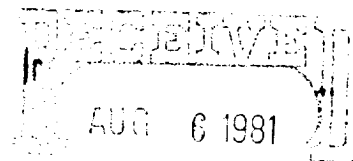
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Refer to Original Plat

Geologist or Registered Professional Engineer
or other duly qualified person

Commissioner





Multi-point Surface Use & Operations Plan
Yates Petroleum Corporation-Riverbend HR Federal No. 1
660' FSL & 1980' FEL, Sec. 33-T15S-R26E, Chaves Co., NM

This APD is for re-entering a well plugged and abandoned in January 1978. Copy of the original Surface Use Plan is attached. No new work will be necessary for the re-entry except for a small working pit (10'x30') approximately 30 feet south of the well on a portion of the wellsite that was leveled in 1978. The access road and pad is useable as is, although overgrown and slightly washed or weathered.

If a commercial oil well is established, we will build our tank battery on the original pad and the access road will be bladed where the surface has eroded.

Drilling fluid will be fresh water as required only to drill out two cement plugs and the fresh water gel (mud) left in the wellbore. After casing and perforating the new completion attempt, the well will be treated with a 1 percent KCL solution which will be produced back into the working pit and allowed to evaporate. The pit will be fenced until the excavation is refilled.

I hereby certify that I have inspected the abandoned wellsite and access road, that the statements made in this plan are to the best of my knowledge true and correct, and that the proposed operations will be performed by Yates Petroleum Corporation and its contractors in conformance with the original Surface Use Plan and the conditions under which this APD is approved.

Eddie M. Mahfood
Petroleum Engineer
Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico 88210

AUG 6 1981

RECEIVED

MAR 21 1977

U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICO

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
Riverbend HR Federal Well No. 1
660' FSL and 1980' FEL, Sec. 33-T15S-R26E
Chaves County, New Mexico
(Exploratory Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of necessary surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effects associated with the operation.

1. EXISTING ROADS.

A. Exhibit A is a portion of BLM quad-color map No. SE-18, showing the proposed location and the surrounding area on a scale of 1/2" to a mile. Exhibit B is a topographic map on a scale of approximately 2 3/4" to a mile, showing the area and the roads in the immediate vicinity of the proposed location. The proposed wellsite is located at a driving distance of approximately 16.9 miles north and east of Artesia, New Mexico. (or approximately 5.5 miles south and east of Lake Arthur, New Mexico)

- (1) Proceed north on Highway 285 from the intersection of Highways 285 and 82 in Artesia for approximately 2.5 miles to the right hand fork (State Highway 2) leading to Lake Arthur, New Mexico.
- (2) Take the right hand fork and continue north on Highway 2 for approximately 8.9 miles, at which point you should turn right (east) on a paved road which runs along the northern edge of the city of Lake Arthur. Landmarks to watch for, to identify this eastbound road, are as follows:
 - (a) There is a Sinclair gasoline station on the west side of Highway 2, about 0.3 of a mile south of the turn-off.
 - (b) Across the road (Highway 2) from the turnoff is a white house (former gasoline station), trimmed in green.
- (3) Continue east on this road. The hard top (paved) surface ends after approximately 1.7 miles and the road continues as a gravel road. There is a sharp right hand turn, after approximately 0.4 of a mile of gravel road (there is a fenced "Christmas tree" on the east side of the road at this point), and the road curves occasionally beyond this point. About 1.1 miles beyond this curve, you will cross a bridge over the Pecos River.

- (4) After crossing the bridge, take the right fork over the cattle guard and continue to a gate about 0.3 of a mile beyond the bridge. This is a gate to private property, owned by Mr. Ross Haven and leased by Mr. Pete Lord, and the gate is normally locked if neither of these men are working on the premises. Arrangements have been made with them for use of the road beyond the gate for purposes of preparing for and conducting drilling operations at the proposed wellsite. However, it is suggested, for purposes of BLM inspection of the proposed location, that the BLM make advance contact with Mr. E.N. Lucking, Oil & Gas Administrative Services Company, Artesia (telephone 746-2768) or Mr. Eddie Mahfood, Yates Petroleum Corporation, Artesia (telephone 746-3558) to arrange for entry through this gate on the date of BLM inspection.
- (5) The remainder of the route to be used in preparing for and conducting drilling operations will be described at this point. In the event, however, that the above gate should be locked, an alternate access route for BLM inspection purposes only, will be described below in paragraph 1.B. (and is shown in exhibit B).
- (6) Proceed beyond the gate for a distance of approximately 0.6 of a mile, stopping just short of a shed and cattle guard (adjacent to a ranch house and yard), as shown in exhibit C. At this point, there is a fence on the left side of the road, running toward the south and away from the road more or less at a right angle. A new road will be constructed, beginning at this point and running alongside this fence. This new road will be about 300 feet in length and will pass through a second fence at a point about 250 feet from the starting point of the new road. A cattleguard will be installed through this fence. About 50 feet beyond this cattleguard, the new road will join an existing road, which will be used beyond this point. (In order to reach this point for BLM inspection purposes, since the new road and cattleguard have yet to be built, it will be necessary to drive through the ranch yard, as shown in green on exhibit C, rejoining the access road as indicated.)
- (7) After leaving the new road described above and rejoining the existing access road, continue south for approximately 0.7 of a mile. At this point, turn half-right at a fork in the road and continue southwest for about 0.35 of a mile. At this point, you will join an east-west road and you should continue west for about 0.15 of a mile. The proposed new road leading to the drilling pad will start at this point, in a northerly direction. The drillsite is about 0.15 of a mile from this point and the location flags are visible at this distance.

B. As indicated above in paragraph A(5), there is an alternate route to the location in the event that the entry gate mentioned in paragraph A(4) is locked. However, this alternate route is outlined for purposes of BLM inspection only and is not intended as the access road for drilling operations. This alternate route makes possible inspection of the entire access route on both sides of the entry gate in the event that the gate should be locked. The alternate route is as follows:

(1) At the (locked) gate, turn left just short of the gate and proceed in a generally southward direction for about 0.45 of a mile (the road curves several times over this distance), at which point you will come to a barbed-wire gate through a fence. Proceed through this gate and continue for about 0.95 of a mile (the first half-mile parallels a fence on your left and the road then curves several times), at which point you should turn half-right on a road leading toward the southwest (the road subsequently changes to a westbound direction). You will cross a caliche or gyp road after about 0.2 of a mile, and pass a section marker on your left adjacent to the road, immediately thereafter (sections 33 and 34, 15S, 26E and section 1, 16S, 26E). About 0.2 of a mile beyond the section marker, you will pass a trail road on the right (north) side of the road and after an additional 0.1 of a mile, there is a flagged railroad spike in the road, indicating the area in which the newly constructed road to the drilling pad will begin. The drillsite is about 0.15 miles north of the existing access road at this point.

C. The road surface of the existing access route described in paragraphs 1. A(4), 1. A(6) and 1. A(7) above will require blade scraping, caliche surfacing, and possibly a small amount of fill. The surface will be crowned in the center, with drainage on both sides of the road. Drainage wings will be constructed periodically along both sides of the road.

2. PLANNED ACCESS ROADS.

A. There will be two areas where new road will be constructed.

(1) The first of these areas is indicated in paragraph 1. A(6) above and is near the ranch house which is located along the existing access route. The new road at this point will traverse a distance of about 300 feet over a sandy area containing several 3-4 foot dunes, and will be blade scraped and caliche surfaced. The road will be 12 feet in width and the surface will be crowned in the center, with drainage on both sides of the road. A cattleguard will be installed in the fence which lies across the route of this road. Permission has already been obtained from the property owner for the performance of this work and the other work necessary to provide access to the location. No culverts or turnouts will be necessary.

(2) The second area of new road will be located at the wellsite and will cover a distance of approximately 0.15 of a mile from the existing access road to the southeast corner of the drilling pad. This road will be 12 feet in width and will be constructed by blade scraping and caliche surfacing, with drainage on both sides of the road. No culverts or turnouts will be necessary.

(3) The center line of each of these new roads has been staked and flagged, and the route of each road is clearly visible.

3. LOCATION OF EXISTING WELLS

A. There are no producing wells in the area of the wellsite. The closest drilling activity has been in sections 11 and 12, T16S, R76E and in section 7, T16S, R77E, as shown in exhibit B, and has not been productive.

4. LOCATIONS OF EXISTING AND/OR PROPOSED FACILITIES.

A. There are no productive facilities on this lease at the present time. The nearest facility is a Southern Union Gas Company pipeline, located about a mile and a half from the wellsite and running in a northwest to southeast direction.

B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive of oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibits A and B.

6. SOURCE OF CONSTRUCTION MATERIALS

A. Caliche for the construction of the drilling pad and the new access roads, as well as for any resurfacing of existing access roads, will be obtained from privately owned land in section 27-15S-26E. Arrangements have been made with the land owner for the acquisition of caliche from this source.

7. METHODS OF HANDLING WASTE DISPOSAL.

A. Drill cuttings will be disposed of in the reserve pits.

B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.

- C. Water produced during operations will be disposed of in the reserve pits. Oil produced during operations will be stored in tanks until sold.
- D. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- E. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
- F. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES

- A. None Required

9. WELLSITE LAYOUT

- A. Exhibit D shows the relative location and dimensions of the well pad, reserve pits, and major rig components.
- B. The ground elevation at the wellsite location is relatively flat with only minor, gradual undulations. Relatively little leveling will be necessary to construct the location, which will be covered with an appropriate thickness of compacted caliche.
- C. The reserve pits will be plastic lined.
- D. The pad and pit area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Any unguarded pits containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management and the United States Geological Survey will be complied with and will be accomplished as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION

- A. Topography: The land surface is relatively flat, with only minor undulations over the wellsite area.

- B. The topsoil at the wellsite ranges from moderately hard to moderately soft sand.
 - C. Flora and Fauna: The vegetation cover in the area is relatively light, consisting primarily of prairie grass, cactus, prairie flowers, mesquite, and miscellaneous weeds. No wildlife was observed, but the area is typical of semi-arid desert land and the wildlife is probably typical of semi-arid desert land, consisting of rabbits, reptiles, coyotes, gophers, kangaroo rats, and badgers. The area is used for cattle grazing.
 - D. The Pecos River is located about a half-mile west of the well-site. Otherwise there are no ponds, lakes, streams or rivers in the area.
 - E. The nearest dwelling is about a mile north and slightly east of the location, in the southeast corner of section 28-R15S-T26E. There is an old house at this location, apparently used (but not occupied as a residence) part time, and a few out-buildings, plus a corral and a water trough for cattle. There formerly was a windmill at this site. There are no other occupied dwellings or windmills in the area.
 - F. Surface Ownership: The wellsite is on federal surface. Portions of the access roads cross privately owned land.
 - G. There is no evidence of any archeological, historical, or cultural sites in the area.
12. OPERATOR'S REPRESENTATIVES.

The field representatives responsible for assuring compliance with the approved surface use and operations plan are:

Eddie Mahfood
Yates Petroleum Corporation
207 S. 4th Street
Artesia, New Mexico 88210

Telephone: 505-746-3558 (office)
505-746-4415 (home)

Leon Bergstrom

13. CERTIFICATION.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3-21-77

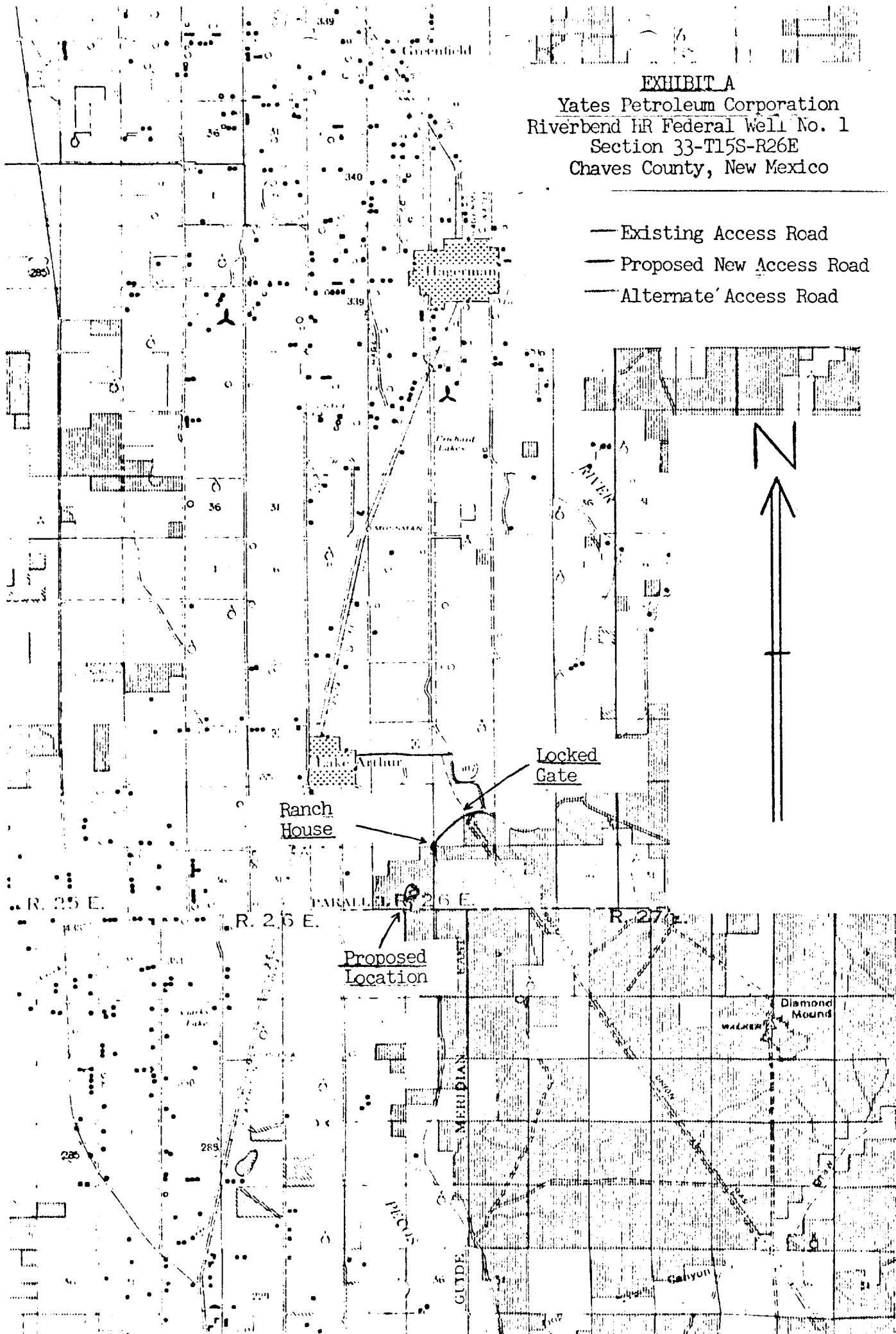
Date

Eddie L. Kualys, Engr.

Name and Title

EXHIBIT A
Yates Petroleum Corporation
Riverbend HR Federal Well No. 1
Section 33-T15S-R26E
Chaves County, New Mexico

- Existing Access Road
- Proposed New Access Road
- Alternate Access Road



T. 14 S

T. 15 S

T. 16 S

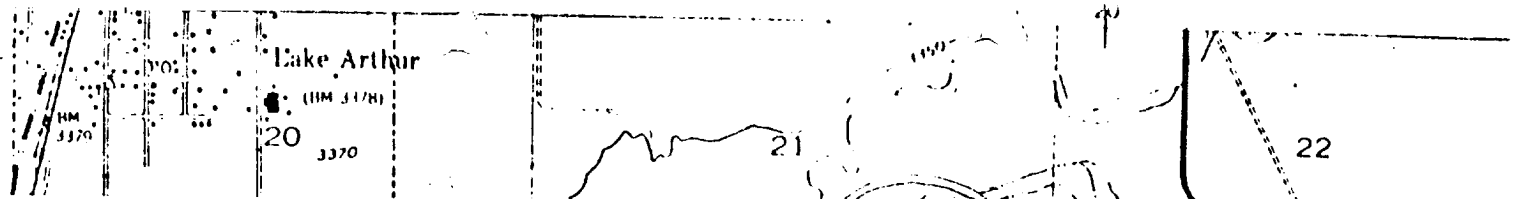


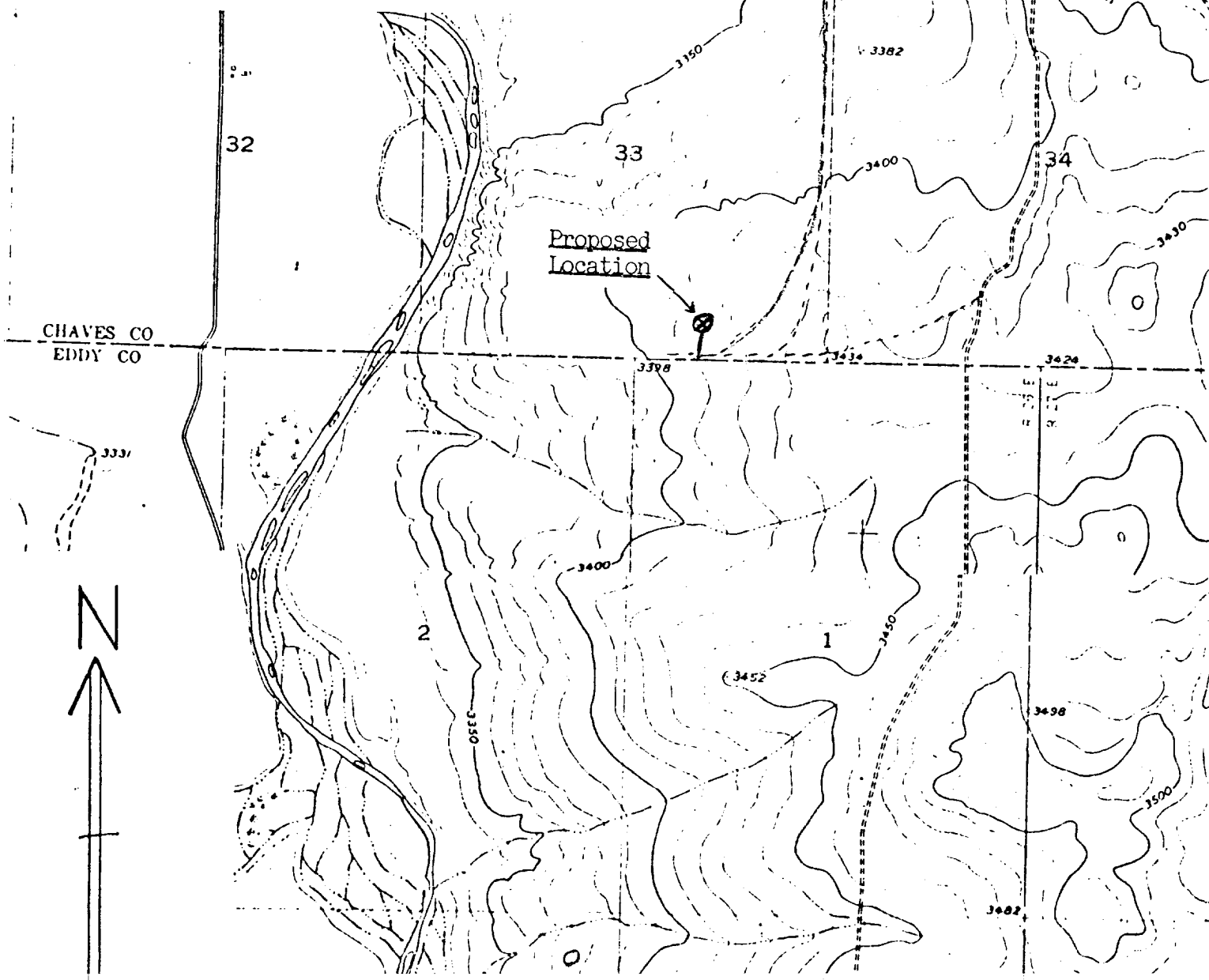
EXHIBIT B

Yates Petroleum Corporation
Riverbend HR Federal Well No. 1
Section 33-T15S-R26E
Chaves County, New Mexico

LEVEL

- Existing Access Road
- Proposed New Access Road
- Alternate Access Road
- ⊙ Dry Hole

Windmill
3346



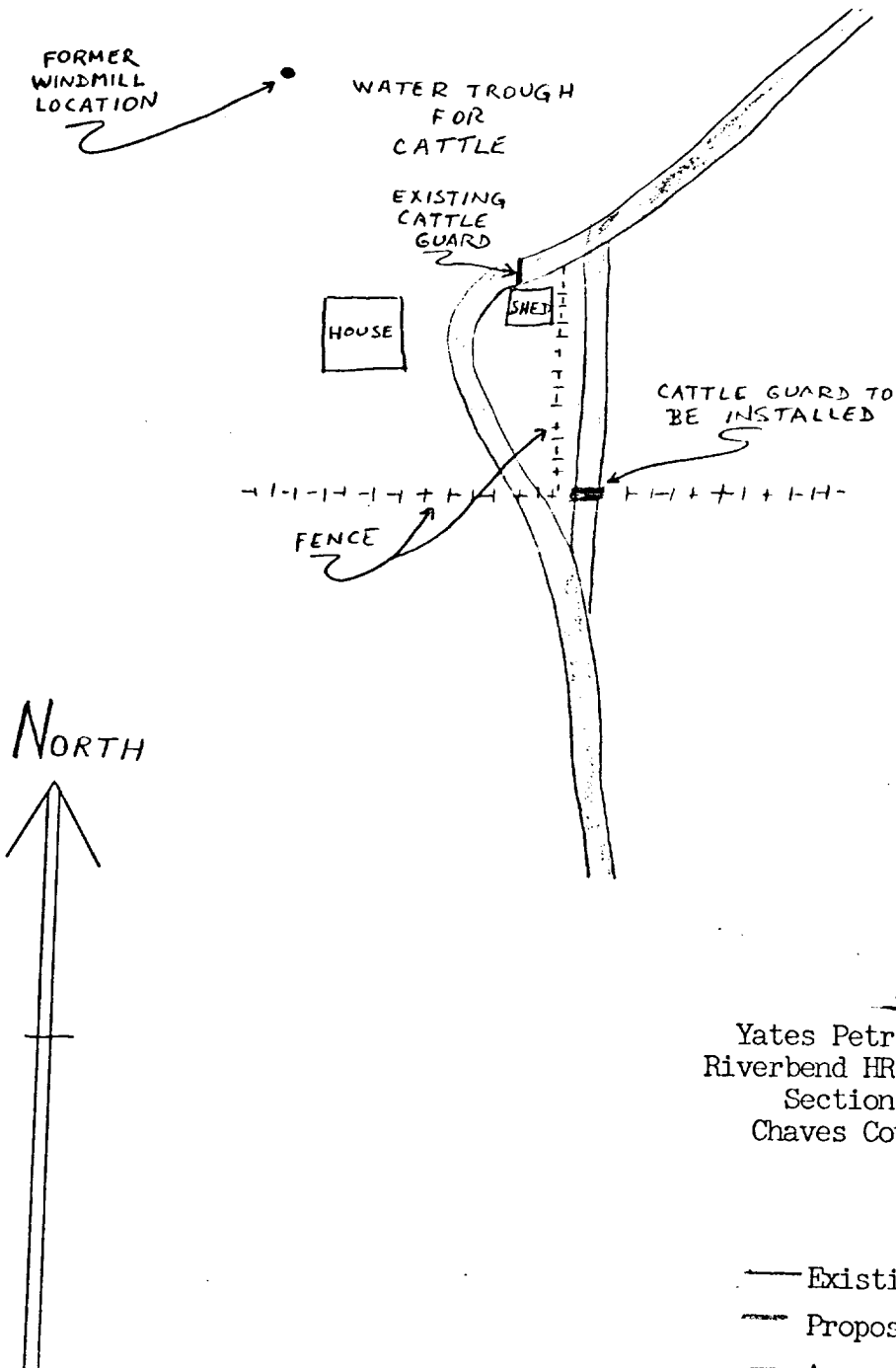


EXHIBIT C

Yates Petroleum Corporation
 Riverbend HR Federal Well No. 1
 Section 33-T15S-R26E
 Chaves County, New Mexico

- Existing Access Road
- - - Proposed New Access Road
- + - Access Road For BIM Inspection