

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

207 South 4th Street - Artesia, NM 88210

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

At surface

660' FSL & 660' FWL of Sec. 29-17S-25E C.C.

At proposed prod. zone

ARTESIA, OFFICE

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

8 mi. SW of Artesia, NM

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

80

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

8700'

20. ROTARY OR CABLE TOOLS

Rotary

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

3612' GR

22. APPROX. DATE WORK WILL START*

As soon as approved

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	13-3/8"	48#	150'	Circulate
11 1/2"	8-5/8"	24#	980'	Circulate
7-7/8"	5 1/2" or 4 1/2"	15.5#&17#or 10.6 &11.6#	8700'	250 sx

Propose to drill & test the Devonian and intermediate formations. Approx. 150' of conductor pipe will be set if needed for protection from cavings and 8-5/8" casing will be set 100' below the Artesian zone and cement circulated. If commercial will run 5 1/2" or 4 1/2" casing. If only Slaughter is commercial will run comb. 7" & 5 1/2" casing.

Mud Program: Gel and loss circ. material to 980' (dry drill if necessary), KCL water to 7400' and low fluid loss mud to the Devonian.

BOP Program: BOP's & Hydril will be utilized.

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

(This space for Federal or State office use)

TITLE

Engineer

DATE

6-12-73

TITLE

DATE

APPROVED

PERMIT NO.

APPROVED BY
K. L. BEEBE
ACTING DISTRICT ENGINEER

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES OCT - 9 1973

*See Instructions On Reverse Side

DECLARED WATER BASIN
13 3/8"
8 1/8"
C.M. MUST BE CIRCULATED

NOTIFY USGS IN SUFFICIENT TIME TO
CEMENTING THE 8 1/8" CASING.

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JUN 13 1973
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ARTESIA, NEW MEXICO



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

June 22, 1973

NOTICE


DRILLING WELL CONTROL REQUIREMENTS FOR DEEP WELLS DRILLED ON FEDERAL OIL AND GAS LEASES IN THE ARTESIA DISTRICT

The following requirements are established in accordance with 30 CFR 221.24, 221.36, and 221.37. Blowout preventer equipment, choke equipment, drilling fluid characteristics, drilling fluid monitors, and the conduct of drilling procedures shall be such as are necessary to prevent the blowout of any well. In addition to all other applicable rules, regulations, and accepted good operating practices, drilling shall be in accordance with the following safety requirements:

1. After running in the 8-5/8 inch casing string and before drilling into the Wolfcamp formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report. In addition, the pipe ram and bag-type preventer shall be actuated at least once each 24 hours and the blind rams each time the drill pipe is out of the hole.
2. Accumulators shall maintain a pressure capacity reserve at all times to provide for repeated operation of hydraulic preventers.
3. A full opening valve, valve to the open position shall be maintained on the accumulator or line until drilling operations are being conducted.
4. Blowout prevention drills shall be conducted as necessary to insure that each drilling crew is properly trained to carry out emergency duties.
5. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before

drilling into the Wolfcamp formation
and used until production casing is run and cemented. Monitoring
equipment shall consist of the following:

- (1) A recording pit level indicator to determine pit volume gains and losses.
 - (2) A mud volume measuring device for accurately determining mud volume necessary to fill the hole on trips.
 - (3) A flow sensor on the flow-line to warn of any abnormal mud returns from the well.
6. When coming out of the hole with drill pipe, the annulus shall be filled with mud before the mud level drops below 150 feet. The volume of mud required to fill the hole shall be watched, and any time there is an indication of swabbing, or influx of formation fluids, proper blowout prevention precautions must be taken. The mud shall not be circulated and conditioned except on or near bottom, unless well conditions prevent running the pipe to bottom.
7. A copy of these requirements shall be posted on the rig floor or in the dog house during the drilling of the well.


James A. Knauf
District Engineer

Lease No. New Mexico 0-39900-A
Well Yates Petroleum Corp. 1-Federal "CR"
Drillsite 660/S&W 29-17S-25E
Depth 8700' Devonian
Approved July 9, 1973



YATES BUILDING - 207 SOUTH 4TH ST.
ARTESIA, NEW MEXICO - 88210
June 21, 1973

S. P. YATES
PRESIDENT
HARVEY E. YATES
VICE PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
HUGH W. PARRY
SEC. - TREAS.

U. S. Geological Survey
Drawer U
Artesia, New Mexico 88210

RE: Yates Petroleum Corporation
Federal "CR" No. 1 Well
SW SW Section 29-17S-25E
Eddy County, New Mexico

Gentlemen:


Mud Program:

Surface to 1150' FW, Gel w/Hulls	8.9#	50 Vis	14 WL
1150 to 5400' Fresh Water	8.4#	50 Vis	14 WL
5400 to 7400' Water w/2% KCL	8.5#	50 Vis	14 WL
7400 to TD Gel w/CMC, 1% KCL	9.1#	45-65 Vis	6-8 WL

BOP Schedule (On Intermediate Casing)
Pipe rams and hydril test daily.
Blind rams test on trips.

Yours truly,

YATES PETROLEUM CORPORATION


Eddie M. Mahfood
Engineer

EMM:ct

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION AT

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

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

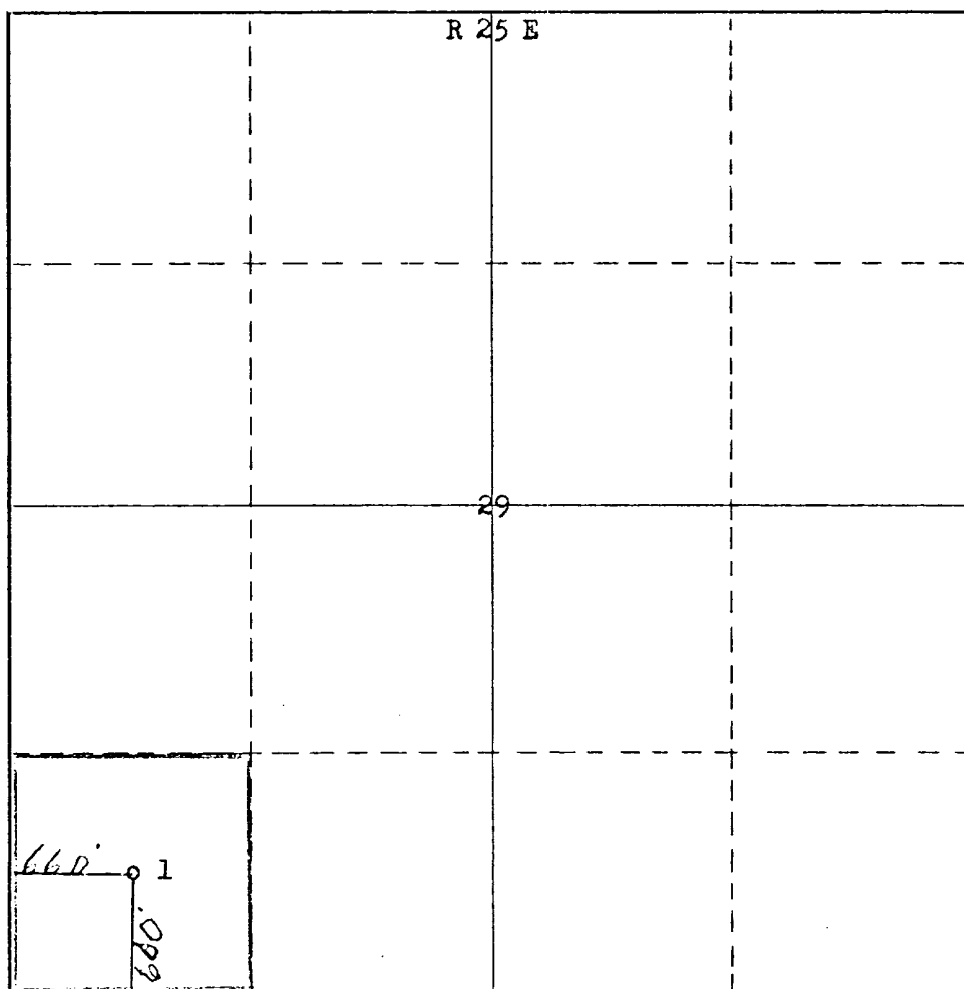
Operator YATES PETROLEUM CORPORATION			Lease FEDERAL GR		Well No. 1
Unit Letter M	Section 29	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3612	Producing Formation		Pool Wildcat	Dedicated Acreage: 40 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 _____

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.

Eddie M. Mahfood
Name
Eddie M. Mahfood

Position
Engineer

Company
Yates Pet. Corporation

Date
6-12-73

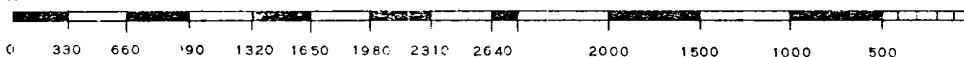
I hereby certify that the well location shown on this plat was plotted from field notes made by me or under my supervision, and the same is true and correct to the best of my knowledge and belief.

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ALBUQUERQUE, NEW MEXICO

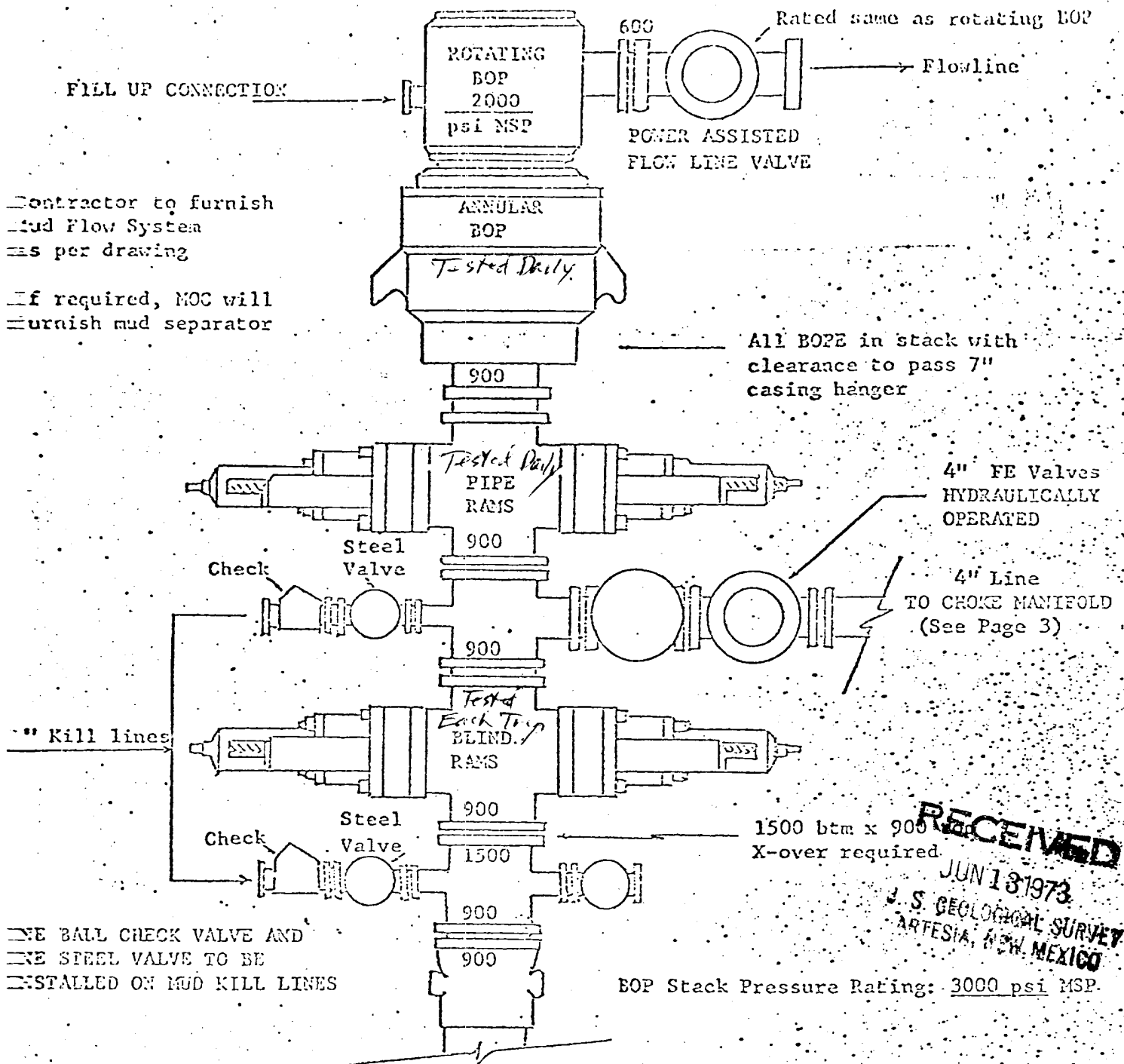
Date Surveyed
June 8th, 1973

Registered Professional Engineer and/or Land Surveyor

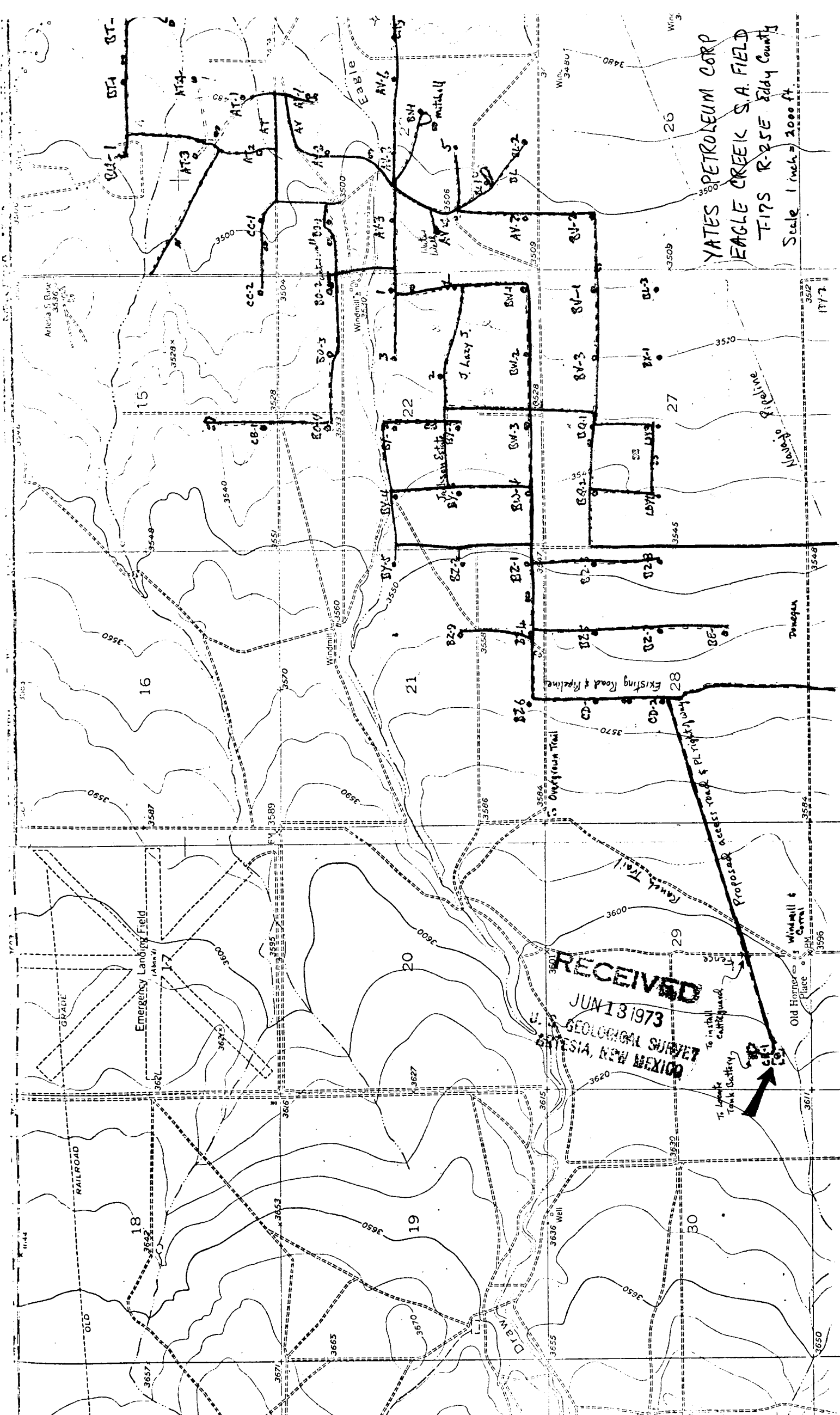
James H. Brown
Certificate No. **542**



ROTATING HEAD WILL BE USED IF NECESSARY



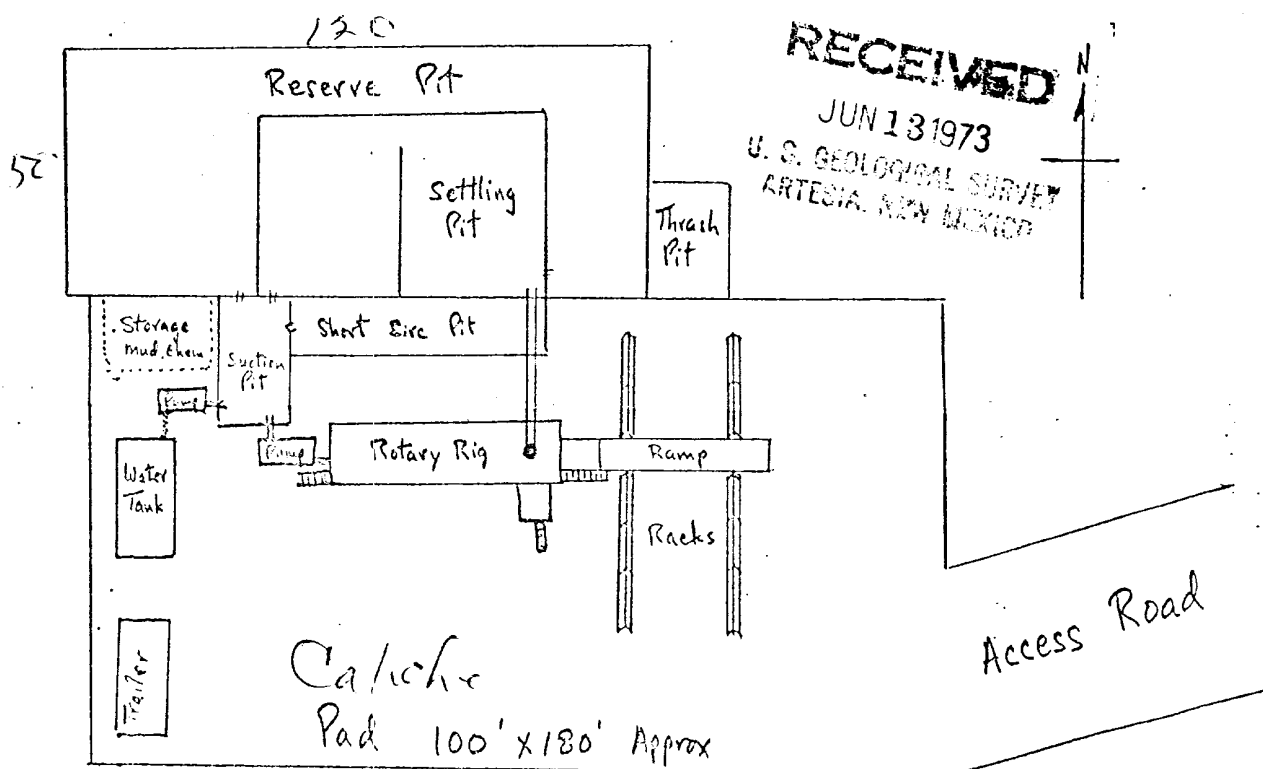
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Development plan for surface use to accompany, "Applications to Drill Onshore Oil, Gas, or Geothermal Steam Wells on Public Domain and acquired Federal Lands:"

1. Existing roads. Existing roads are maintained as needed, and climate; roads are caliche and watered as needed.
2. Planned access roads. See attached topo map with proposed access road located approx. 1/4 mile north of stock waterhole.
3. Location of well. See attached topo map; relatively flat terrain with good drainage. Well located in south-half of 80 acre unit.
4. Lateral roads to wells locations. See attached topo map.
5. Location of tank batteries and flowlines. See attached map; tank battery to be approx. 300 ft. north of well, flowlines alongside roadway.
6. Locations and types of water supply. Drilling water to be trucked from source wells in Eagle Creek - See attached map.
7. Methods for handling waste disposal. Pits for mud, separate pit for trash and engine oil.
8. Location of camps. None
9. Location of airstrips. Not applicable
10. Location layout to include position of the rig, mud tanks, reserve pits, burn pits, pipe racks, etc. See sketch.
11. Plans for restoration of the surface. If dry, hole will erect marker level pits, restore ground as near original as possible. If producer, will fence or level pits as needed.
12. Any other information which the Approving Official considers essential to his assessment of the impact on the environment. Sparse mesquite brush & prairie-grass. Road presents minimum disturbance. Surface rights patented by W. E. McIlhenny Artesia, NM. Location and access roads satisfactory to rancher.

The affected Federal and State surface managing agencies shall have access to or, if feasible, may be provided with copies of such development plans.



SUBMITTED BY:
YATES PETROLEUM CORPORATION
By Eddie M. Kirkland