

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, New Mexico 88210

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

At surface

1650' FWL & 990' FSL of Sec. 22-17S-25E

At proposed prod. zone

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

Approx. 5 miles West of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. unit line, if any)

990'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

O. C. C.

17. NO. OF ACRES ASSIGNED

TO THIS WELL

ARTESIA, OFFICE 40

19. PROPOSED DEPTH

Approx. 1500'

20. ROTARY OR CABLE TOOLS

Rotary

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

3539' 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
14-3/4"	10-3/4"	32#	Approx. 200'	Circulate
9-7/8"	7"	20#	" 1150'	Circulate
6-1/4"	4 1/2") 5 1/2")	Tapered 9.5# & 15.5#	" 1500'	Circulate

We propose to drill a 14 3/4" hole to approx 200', set 10 3/4" casing, if necessary, and circulate, then drill 9-7/8" hole to 100' below Artesian zone, set 7" surface casing and circulate, reduce hole to 6 1/4" and drill to approx 1500' TD, run a tapered string of production casing and cement, perforate and Sand Frac for completion in the Slaughter formation.

Mud Program: Fresh water gel and LCM to 1150' (or dry drill) from casing point to TD.

BOP Program: BOP's will be installed on 7" casing and tested daily

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 L. Beem

TITLE

Engineer

DATE

3-26-74

(This space for Federal or State office use)

PERMIT NO.

APR 3 - 1974

CONDITIONS OF APPROVAL

R. L. BEEM

ACTING DISTRICT ENGINEER

APPROVAL DATE

DECLARED WATER BASIN

TITLE

C MENT BEHIND THE
CASING MUST BE CIRCULATED

DATE

NOTIFY USGS IN SUFFICIENT TIME TO
WITNESS CEMENTING THE 7" CASING.

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.

JUL 3 - 1974

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-10,
Supersedes O-128
Effective 1-1-65

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

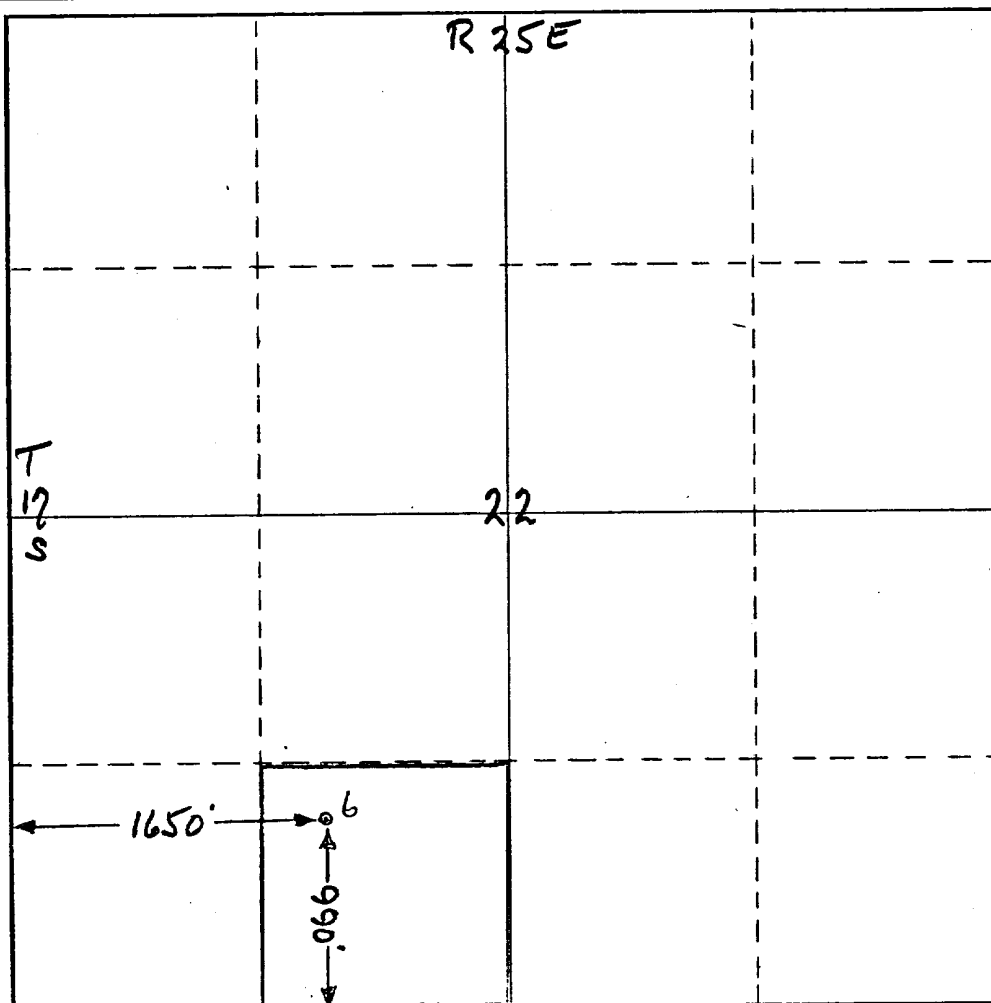
Operator Vates Petroleum Corporation			Lease Federal "LW"		Well No. 6
Unit Letter N	Section 22	Township 17S	Range 25E	County Eddy	
Actual Postage Location of Well: 1650 feet from the West line and 990 feet from the South line					
Ground Level Elev. 3539	Producing Formation San Andres		Pool Eagle Creek S.A.		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
Vates Pet. Corporation

Date
3-22-74

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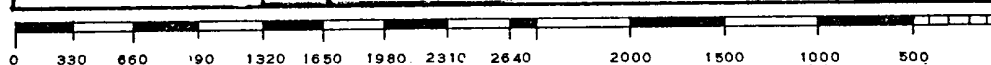
I hereby certify that the well location shown on this plat was obtained from field notes of sound surveying by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

James H. Brown

Date Surveyed
March 22nd 1974

Registered Professional Engineer and/or Land Surveyor

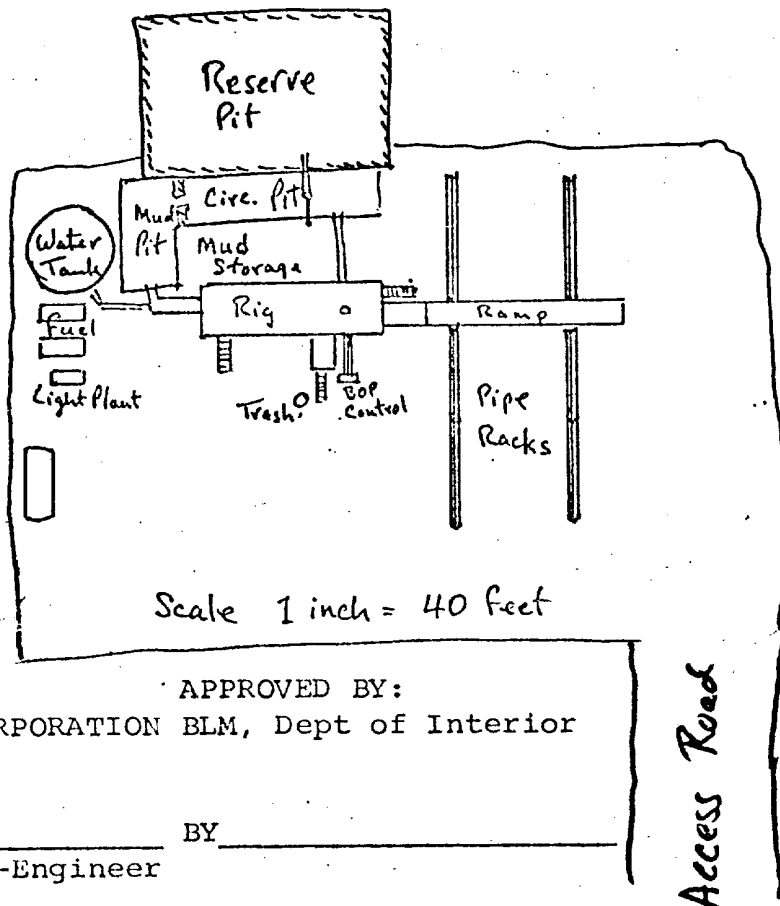
James H. Brown
Certificate No. **542**



Onshore Oil, Gas, or Geothermal Steam Wells on Public Domain and acquired Federal Lands:"

1. Existing roads. See attached Topo map. Roads are existing & maintained by Company as needed.
2. Planned access roads. See attached Topo map. North-South road to allow direct access to existing lease facilities.
3. Location of well. See attached Topo map. In-fill well in Eagle Creek (NA)
4. Lateral roads to wells locations. See attached Topo Map. No new lateral roads needed or planned - will use existing roads.
5. Location of tank batteries and flowlines. See attached Topo Map. Will use existing tank battery. Flowlines will be laid alongside roadways
6. Locations and types of water supply. Fresh water source well located in Unit L Section 23-17S-25E(Eagle Creek) utilized for drilling operations
7. Methods for handling waste disposal. Mud and engine oil in circulating pit, trash in waste barrel for disposal in approved (city dump)
8. Location of camps. NA
9. Location of airstrips. NA
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. Pits to be fenced until dried and leveled. Upon abandonment, surface to be restored to near original.
12. Any other information which the Approving Official considers essential to his assessment of the impact on the environment. Rolling terrain w/prairie grass and tumbleweed, grazing permit. Development plan satisfactory to rancher, W. E. McIlaney, Box 38 Route #1 - Artesia, NM 88210

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



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U.S. GEOLOGICAL SURVEY
ARIZONA, NEW MEXICO

SUBMITTED BY: YATES PETROLEUM CORPORATION BLM, Dept of Interior

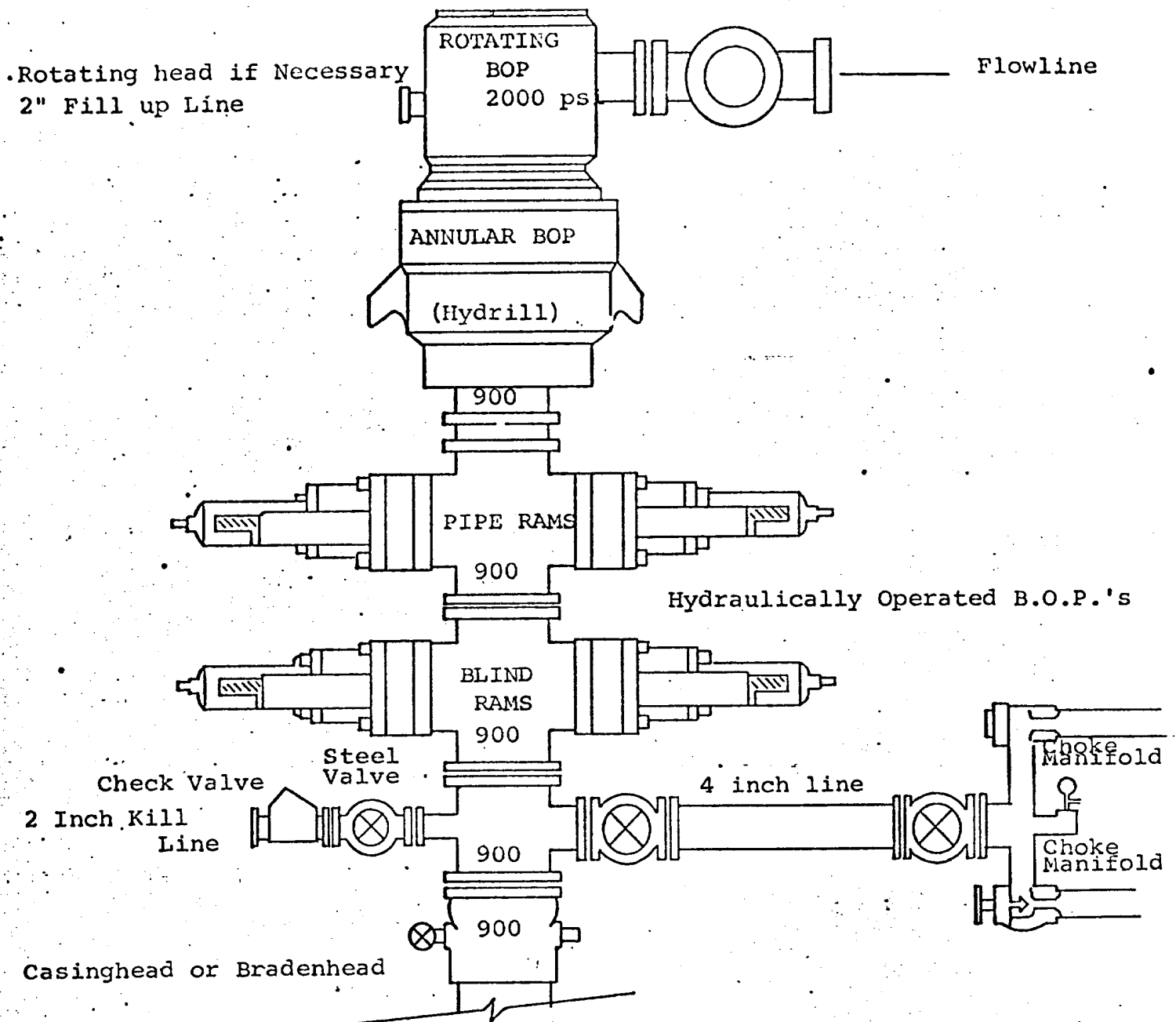
APPROVED BY:

By Eddie M. Mahfood-Engineer
3-26-74

BY

Access Road

DIAGRAMMATIC SKETCH OF 3000 PSI BOP ASSEMBLY



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All Connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. Drill pipe must be installed and used below zone of first gas intrusion.
11. Anticipated Bottom Hole Pressure is less than 400 psi.
12. No Kelly Cock or manual valves necessary.
13. BOP's Tested prior to drilling casing shoe, TD reached estimated 24 hrs.

