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NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

OCT 14 1975

30-015-21653

Form C-101
Revised 1-1-65

| |
|--|
| 5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. K-4942 |
| 7. Unit Agreement Name |
| 8. Farm or Lease Name ARCO "EC" State |
| 9. Well No. 2 |
| 10. Field and Pool, or Wildcat Undesignated |
| 12. County Eddy |
| 19. Proposed Depth Approx. 8600' |
| 19A. Formation Morrow |
| 20. Rotary or C.T. Rotary |
| 22. Approx. Date Work will start 10-17-75 |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well
OIL WELL ☐ GAS WELL ☒ OTHER ☐
DRILL ☒ DEEPEN ☐ PLUG BACK ☐
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
UNIT LETTER I LOCATED 1100 FEET FROM THE East LINE
AND 1980 FEET FROM THE South LINE OF SEC. 36 TWP. 17S RGE. 25E NMPM

21. Elevations (Show whether DF, RT, etc.)
3445 GR

21A. Kind & Status Plug. Bond
Blanket

21B. Drilling Contractor
Ard Drilling Co.

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|-----------------|-------------------------|---------------|-----------------|-----------|
| 17 1/2" | 13-3/8" | 48# | Approx. 360' | 250 sx | Circulate |
| 12 1/4" | 8-5/8" | 24# | " 1200' | 500 sx | Circulate |
| 7-7/8" | 4 1/2 or 5 1/2" | 10.5-11.6# or 15.5-17 # | " 8600' | 250 sx | |

Propose to drill and test the Morrow and intermediate formations.
Approx. 360' of surface casing will be run to shut off gravel and cavings.
and intermediate casing will be run 100 feet below the Artesian zone.

Mud Program: Gel & LCM to 1200'. Fresh water to 5100'. KCL water to 7900'
and Flosal-Drispak mud to Total Depth.

BOP Program: - BOP's will be set on 8-5/8" casing, pipe rams tested daily,
blind rams on trips.

Unorthodox location approved - Case No. 5568.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 1-16-76

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Eddie M. [Signature] Title Engineer Date 10-13-75

(This space for State Use)

APPROVED BY W.A. [Signature] TITLE SUPERVISOR, DISTRICT II DATE OCT 16 1975

CONDITIONS OF APPROVAL, IF ANY:
Subject to Case #5588 Cement must be circulated to
surface behind 13 3/8" & 8 5/8" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing
4- 8 5/8" casing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-120
Effective 1-1-65

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

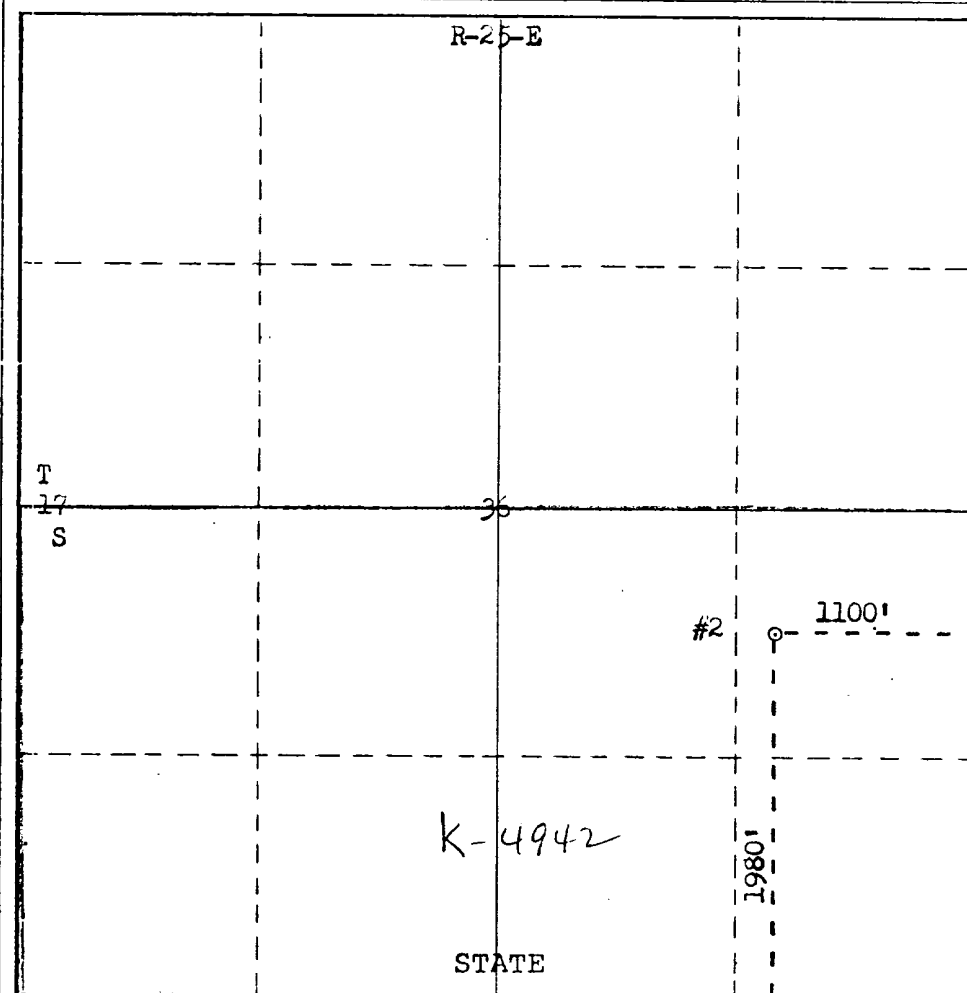
| | | | | | |
|--|--------------------------------------|-------------------------|-------------------------------|-----------------------|--|
| Operator Yates Petroleum Corp. | | | Lease ARCO EC State | | Well No. 2 |
| Unit Letter I | Section 36 | Township 17-S | Range 25-E | County Eddy | |
| Actual Footage Location of Well: 1980 feet from the South line and 1100 feet from the East line | | | | | |
| Ground Level Elev. 3445 | Producing Formation Morrow | | Pool Undesignated | | Dedicated Acreage: 320 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 Petroleum Corporation

Date
10-13-75

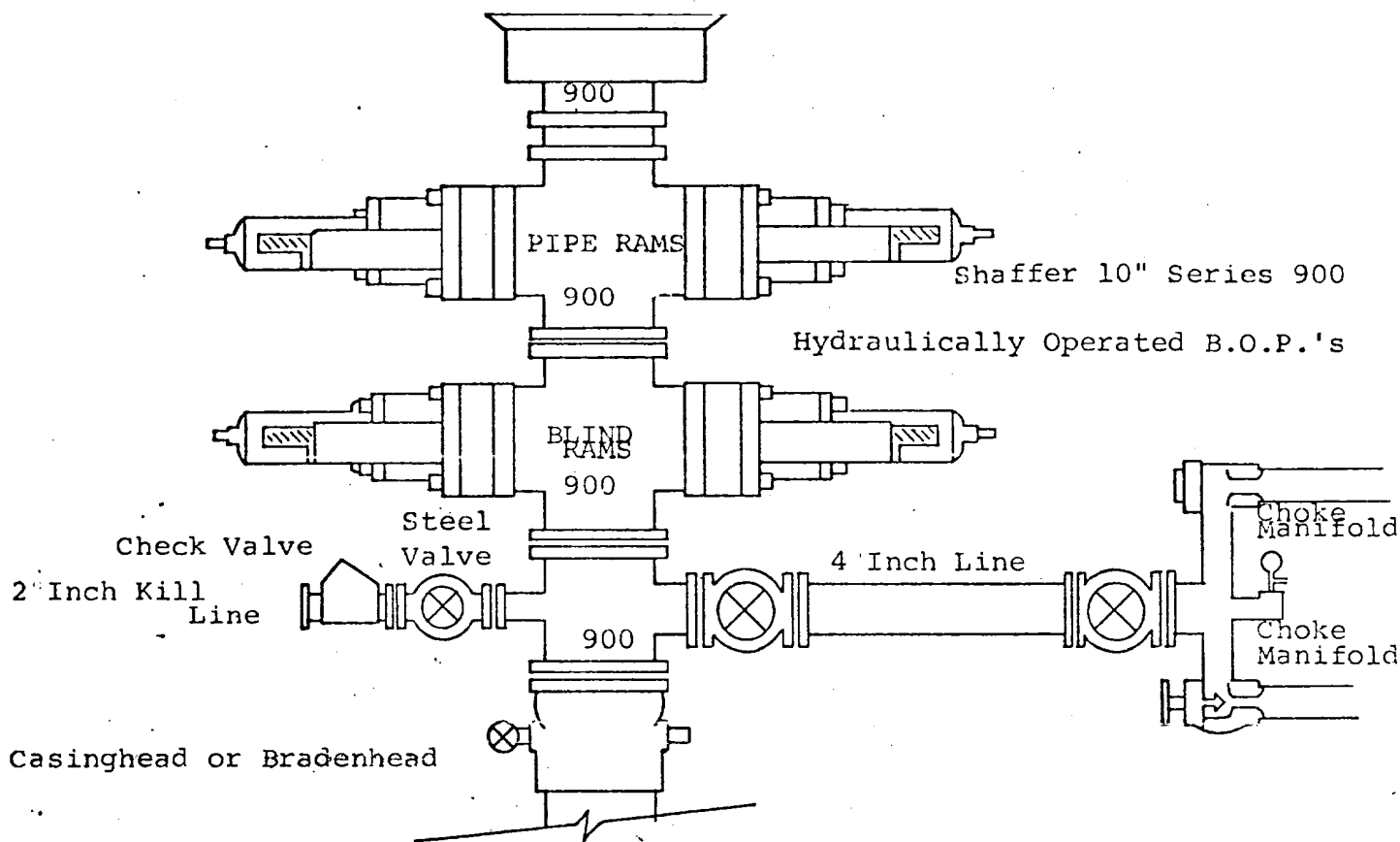
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Oct. 11, 1975

Registered Professional Engineer and/or Land Surveyor

[Signature]
Certificate No.

NNLS #542



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. D. P. float must be installed and used below zone of first gas intrusion.