

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-21772

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK			1b. TYPE OF WELL			7. UNIT AGREEMENT NAME		
DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			SINGLY ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. NAME OF OPERATOR						8. FARM OR LEASE NAME		
Yates Petroleum Corporation						Federal "BQ"		
3. ADDRESS OF OPERATOR						9. WELL NO.		
207 South 4th Street - Artesia, NM 88210						4		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*						10. FIELD AND POOL, OR WILDCAT		
At surface 330' FNL & 1650' FWL of Section 27-17S-25E						Eagle Creek (S.A.)		
At proposed prod. zone						11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA		
						Sec. 27-17S-25E		
						Unit C		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*						12. COUNTY OR PARISH		13. STATE
5 Miles SW of Artesia, New Mexico						Eddy		NM
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)			16. NO. OF ACRES IN LEASE			17. NO. OF ACRES ASSIGNED TO THIS WELL		
330'			80			20		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.			19. PROPOSED DEPTH			20. ROTARY OR CABLE TOOLS		
933'			Approx. 1470'			Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.)						22. APPROX. DATE WORK WILL START*		
3537' GR						3-16-76		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	10-3/4"	32#	Approx. 200'	Circulate
9 1/2"	7"	20#	" 1120	Circulate
6 1/4"	4 1/2 & 5 1/2"	9.5 & 14#	" 1470	125 sacks

Propose to drill a second San Andres well in this 40 acre-unit. Approx 200' of surface casing will be set to shut off gravel and caving, and intermediate casing will be set 100 feet below the Artesian Water zone. A tapered 5½" and 4½" oil string will be set, perforated and stimulated as needed for production.

Mud Program: - Gel & LCM from surface to 1120', fresh water to TD.

BOP Program: - BOP's will be installed on the 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 Christine Tomlinson TITLE Geol. Secty DATE 2-27-76

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
 APPROVED BY J. C. Brant DISTRICT ENGINEER
 CONDITIONS OF APPROVAL, IF ANY : _____ TITLE _____ DATE _____

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

***See Instructions On Reverse Side**

O. C. C.
ARTESIA, OFFICE

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.

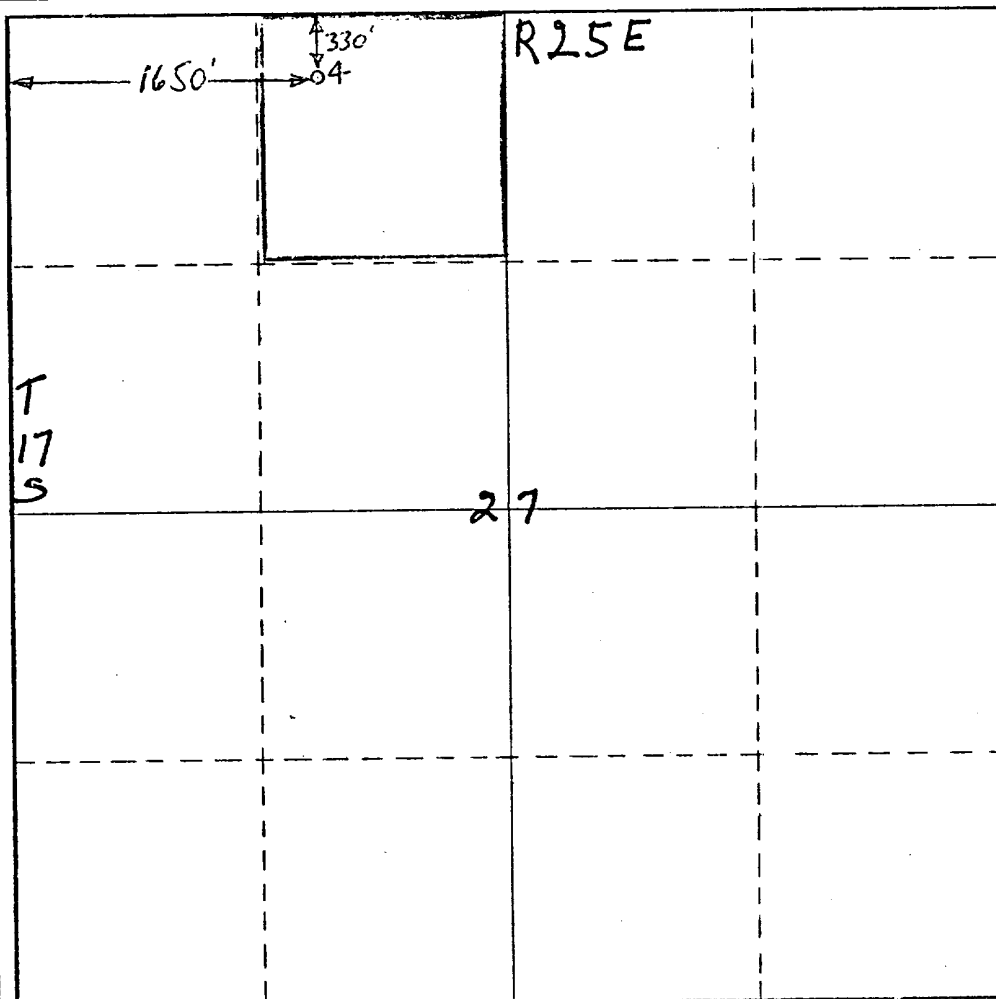
Operator Yates Petroleum Corp		Lease Federal "BQ"		Well No. 4	
Unit Letter C	Section 27	Township 17-S	Range 25-E	County Eddy	
Actual Footage Location of Well: 330 feet from the North line and 1650 feet from the West line					
Ground Level Elev. 3537	Producing Formation San Andres		Pool Eagle Creek (S.A)	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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
2-27-76

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

Eddie M. Mahfood

Date Surveyed
2-26-76

Registered Professional Engineer and/or Land Surveyor

Certificate No.
4605

YPC- Federal BQP No. 4

330/N 1650/W Sec 27-17s-25E

Eagle Creek (S.A.) Eddy County, N. Mex.

Development plan to accompany "Applications to Drill, Federal Lease".
12-Point Plan.

1. EXISTING ROADS: See Plat (Exhibit A) Lease roads, caliche & maintained by operator
2. PLANNED ACCESS ROADS: See Plat (Exhibit A) caliche - shortest road to existing road, minimum surface disturbance, surface owner satisfaction
3. LOCATION OF WELLS: See Plat (Exhibit A) Development well in proven oil field
4. LATERAL ROADS TO LOCATION: See Plat (Exhibit A) None
5. LOCATION OF TANK BATTERY & FLOWLINES: See Plat (Exhibit C) Flowlines alongside access road & existing road to existing tank battery
6. LOCATION & TYPES OF WATER SUPPLY: See Plat (Exhibit A) fresh water pumped via pipeline from Eagle Creek source well
7. METHODS FOR HANDLING WASTE DISPOSAL: See Sketch (Exhibit C) Mud in earthen pits, trash in barrels. Pits fenced until dry, then leveled, trash buried.
8. LOCATION OF CAMPS: Not Applicable.
9. LOCATION OF AIRSTRIPS: Not Applicable.
10. LOCATION LAYOUT (rig, tanks, pits, racks, etc): See Sketch (Exhibit C)
11. PLANS FOR RESTORATION OF SURFACE: Location cleaned and leveled. Upon abandonment, location will be restored as near original as possible or to satisfaction of rancher and surface owner.
12. OTHER ENVIRONMENT INFORMATION: Terrain is flat with prairie grass & foliage. Free Surface environment protected to satisfaction of rancher. J. W. Gissler, P.O. Box 987, Artesia N. Mex. 88210 or ph. 505-746-9544.
13. Company Representative - Eddie Mahfood, 746-3558.

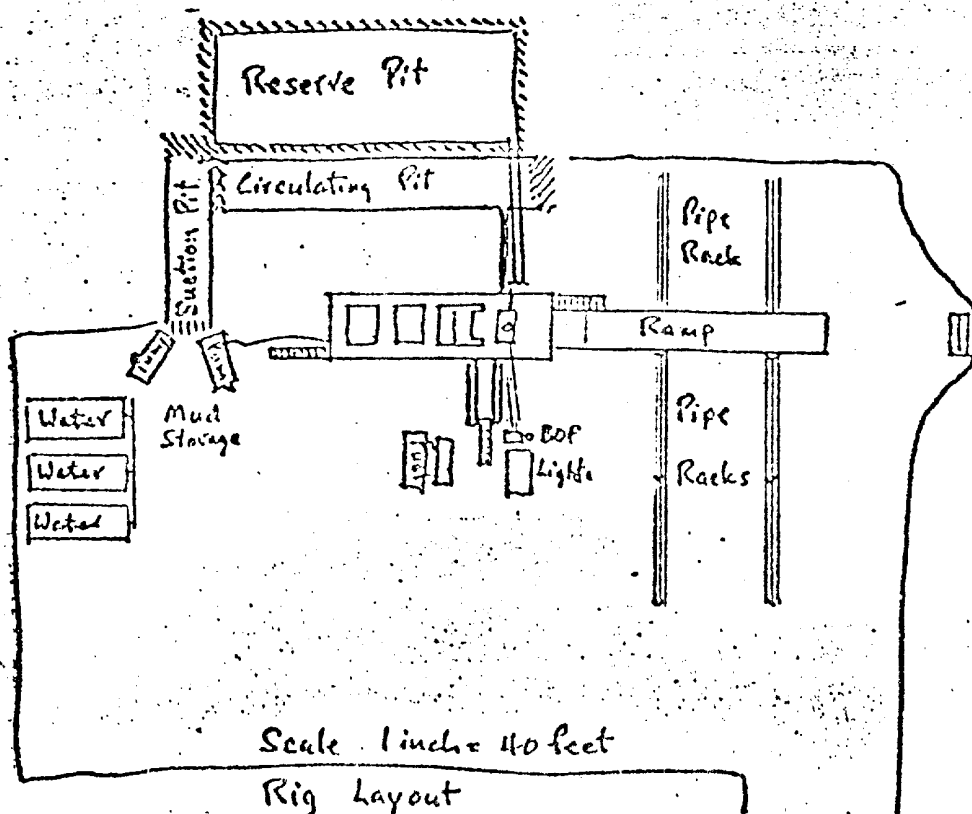
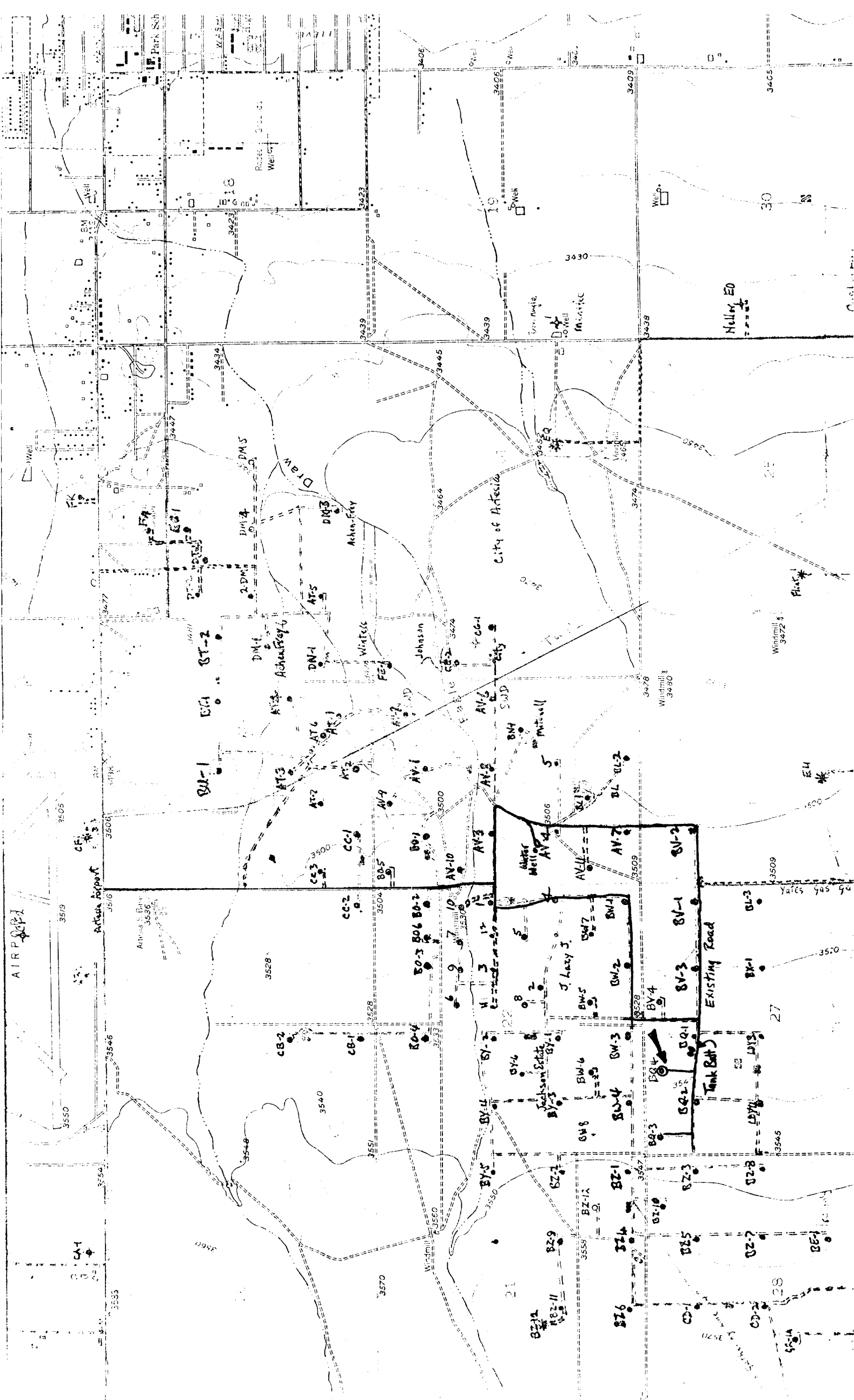
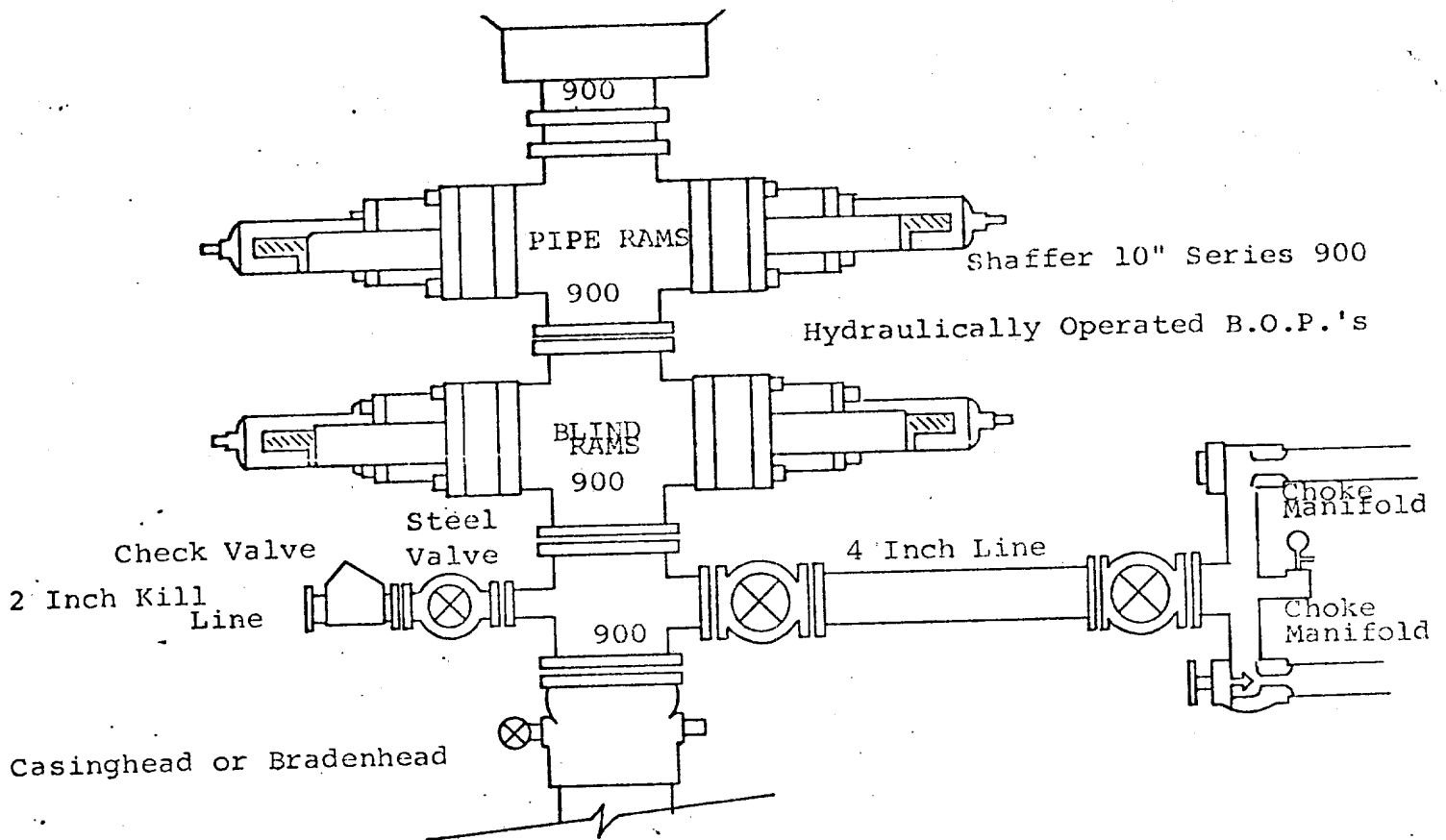


Exhibit "C"





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.