

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒AUG 27 1976 DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 South Fourth Street, Artesia, NM 88210

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

At surface

1980' FNL & 660' FEL of Section 28-17S-25E

At proposed prod. zone

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

Approx. 5 miles Southwest from Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

660

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

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

8350'

17. NO. OF ACRES ASSIGNED

TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

3550' GR

22. APPROX. DATE WORK WILL START*

Sept. 25, 1976

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17½"	13-3/8"	48# H40 New	Approx. 200'	125 sacks - circulate
12½ or 11"	8-5/8"	24# K55 New	Approx. 1100'	450 sacks - circulate
7-7/8"	5½ or 4½"	15.5-17# or 10.5-11.6# K-55 New	TD	250 sacks - circulate

Propose to drill and test the Morrow and intermediate formations. Approximately 200' of surface casing will be set & cemented to surface to shut off gravel & casing and intermediate casing will be set 100' below the Artesian Water Zone & cemented to surface. If commercial, will run 5½" or 4½" casing, cement as expedient, perforate & stimulate as needed.

Mud Program: FW Gel & LCM to 1100', Fresh Water to 4800', KCL to 6000',
Flosal-Drispak Mud to TD.

BOP Program: BOP's on 8-5/8" casing, tested daily, Yellow Jacket prior to
drilling Wolfcamp.

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The gas is not committed.

SEP 01 1976

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. Halpern

TITLE

Engineer

DATE

8-27-76

(This space for Federal or State use) ATTACHED DEEP WELL CONTROL

PERMIT NO. 1976

REQUIREMENTS DATED

JUN 22 1973

APPROVAL DATE

DATE

CONDITIONS OF APPROVAL, IF ANY:

IF APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMPLETED WITHIN 3 MONTHS.

DECT 6 1976

*See Instructions On Reverse Side

CASING MUST BE CIRCULATED

NOTIFY USGS IN SUFFICIENT TIME TO
8/26

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Amended

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

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SEP 09 1976
U.S. GEOLOGICAL SURVEY
ARTESIA, NEW MEXICOForm C-102
Supersedes C-128
Effective 1-1-65

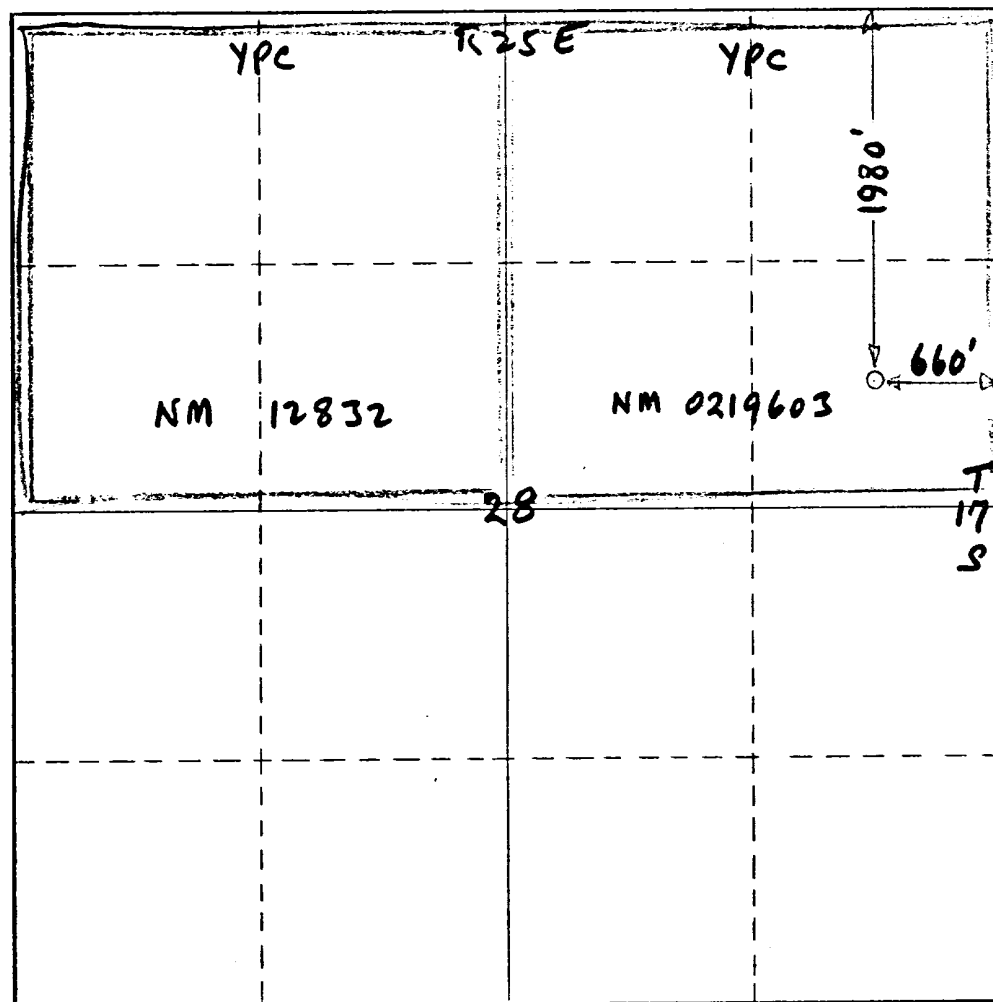
Operator Yates Petroleum Corp			Lease Federal "B2"			Well No. 16		
Unit Letter H	Section 28	Township 17-S	Range 25-E	County Eddy				
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the East line								
Ground Level Elev. 3550	Producing Formation Morrow		Pool Undesignated			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. Mahford
Name
Eddie M. Mahford

Position
Engineer

Company
Yates Petroleum Corp.

Date
9-9-76

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.

Eddie M. Mahford
Date Surveyed
8-26-76

Registered Professional Engineer and/or Land Surveyor

Certificate No. **4605**

YPC - Federal BZ#16 Com

1980/N 660/E Sec 28-17S-25E, Sddy C, N.M.

Other Information to accompany Form 3-991C.

1. Surface Formation is Quaternary Alluvium
2. Geologic Markers, Estimated Tops are:

San Andres - 732 GR
Glorietta - 2024 -
Abo - 4066 -
Wolfcamp Ls - 5277 -
Cisco - 6310 -
h. Canyon - 7192 -
Strawn - 7648 -
Atoka - 7960 -
Morrow Clastics - 8090 -
Chester Ls - 8245 -

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ARTESIA, NEW MEXICO

3. Surface Waters: 200-400' GR Head \approx -200 ft
Arterian Water: 750-1050 GR Head \approx -300 ft
Oil & Gas: San Andres 1270-1400 GR BHP \approx 400 psi
Poss Cisco 6380-6600 - 2400 psi
Poss Strawn 7750-7850 - 2800 psi
Poss Atoka 7980-8080 - 2900 psi
Poss Morrow 8120-8180 - 3100 psi

4. See form 9-331C

5. See Exhibit "E" & form 9-331C

6. See form 9-331C

7. Auxiliary Eqmpt: Kelly cock; pit level indicator & flow sensor;
sub on floor w/ full-opening valve for drill pipe

8. Testing as determined by mud sampler, drlg breaker, other shows
Mud-logger on location by 6000' (gas detector & cuttings analysis)

9. Development well; pressures & temperatures are sub-normal
hydrogen sulfide and other toxic gases are minimal or
non-existing, mud inhibited for corrosion control and checked
hourly for overbalance (mud wt), continuously for fluid loss & control.

10. Anticipated starting date: Sept 25-30, 1976; duration: 22-26 days.

YPC
by Ellen August 31, 1976

YATES PETROLEUM CORPORATION - FEDERAL "BZ" #16
1980' FNL & 660' FEL, Section 28-17S-25E, Eddy County, New Mexico

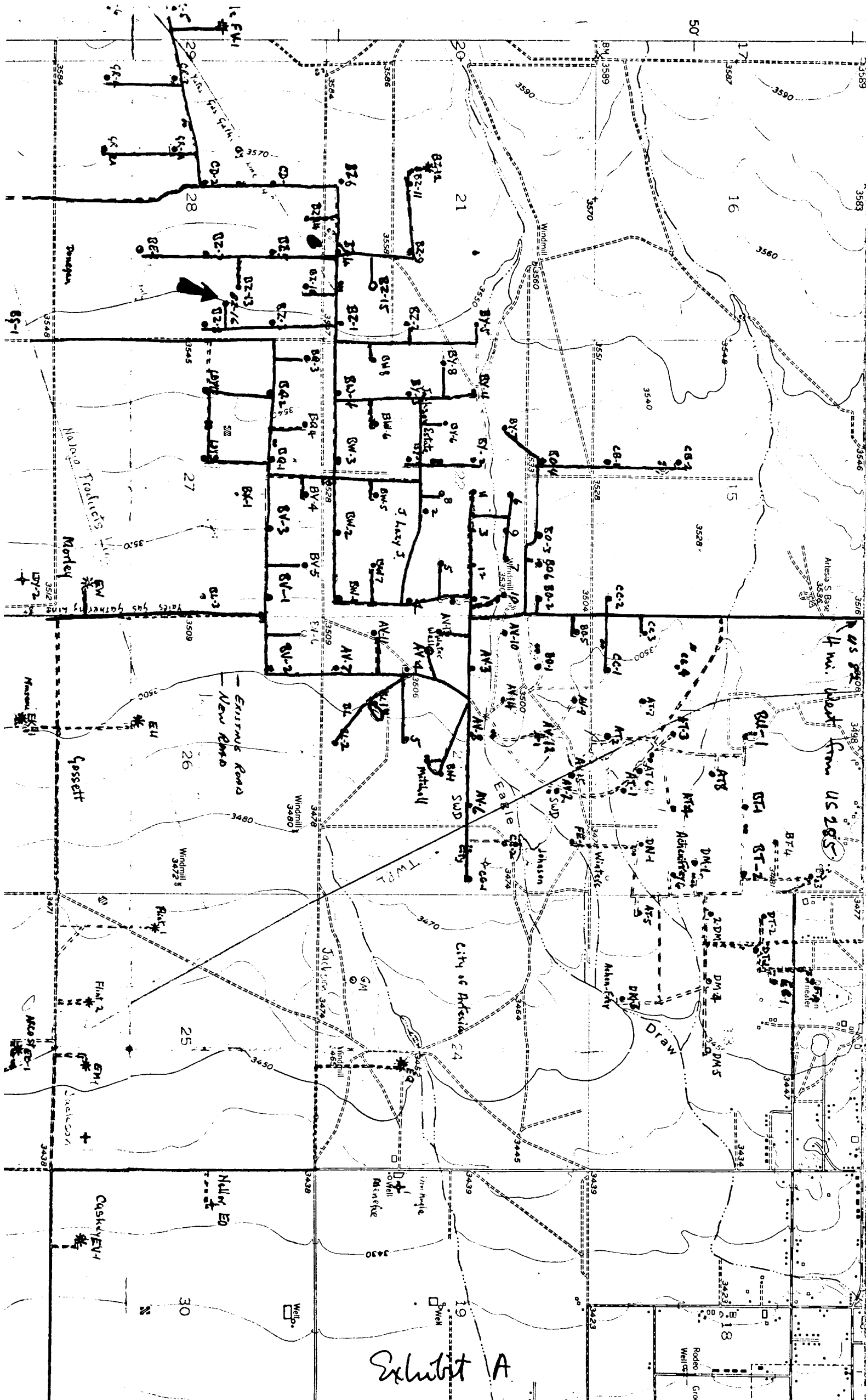
Surface Use Plan to accompany "Applications to Drill, Federal Lease".

1. EXISTING ROADS: See Plat (Exhibit A) Caliched road in Eagle Creek field from U.S. 82 (4 miles west of U.S. 285): Go 1½ miles South, 400' West, ½ mile South, 1.0 mile West, 0.4 mile South to Access Road.
2. PLANNED ACCESS ROADS: See Plat (Exhibit A) Approximately 600' of new road with caliche, 16' wide, west from existing lease road, (proposed roadway & pad outline flagged). No fence-cuts, no cattleguards required; no turnouts, no culverts, no cut and fill.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibit A) This is a development well in the Eagle Creek and Richard Knob Fields. Shut-in gas wells in NE SW Sec. 21-17S-25E; in SE NE Sec. 29; in SE SE Sec. 27. All San Andres wells producing.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit B) Tank Battery will be built in Southwest part of pad. No Gas Well transmission lines in area. Oil well flowlines on surface, gas and water lines buried.
5. LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit A) Water supply well in NW/4 SW/4 Section 23-17S-25E, water piped to location.
6. SOURCE OF CONSTRUCTION MATERIAL: Existing caliche pit on Federal "BZ" (0219603) lease, located in NW/4 NE/4 Section 28-17S-25E.
7. METHODS FOR HANDLING WASTE DISPOSAL: Steel pits for mixing mud, plastic-lined reserve pits for circulating mud with cuttings, burn pit for burning mud sacks & garbage, jet sump for engine oil & trip mud, small sump for portable commode, trash barrels for house-cleaning.
8. ANCILLARY FACILITIES: None
9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit B) Fairly level terrain, no cut and fill; approximately 2" caliche on pad and roads, watered for dust control.
10. PLANS FOR RESTORATION OF SURFACE: Reserve pit to be fenced until dry then leveled. After rig moves, trash will be placed in burn pit or jet sump & burned or buried, location leveled. Upon abandonment, location will be cleaned & restored to near original. No ripping or re-seeding necessary on account of wind-erosion and natural re-seeding. No other requirements by Rancher.
11. OTHER INFORMATION: Rolling terrain with prairie grass, greasewood, tumbleweed and cactus. Cattle grazing periodically; surface believed to be BLM; no ponds or streams; windmills in other pastures (See Exhibit A) with patented surface. Restoration plans approved by rancher, W.E. McIlhaney, Box 38, Artesia, NM 88210.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Eddie Mahfood or Leon Bergstrom, 207 South Fourth Street, Artesia, NM, 88210. 746-3558.
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 Corp. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

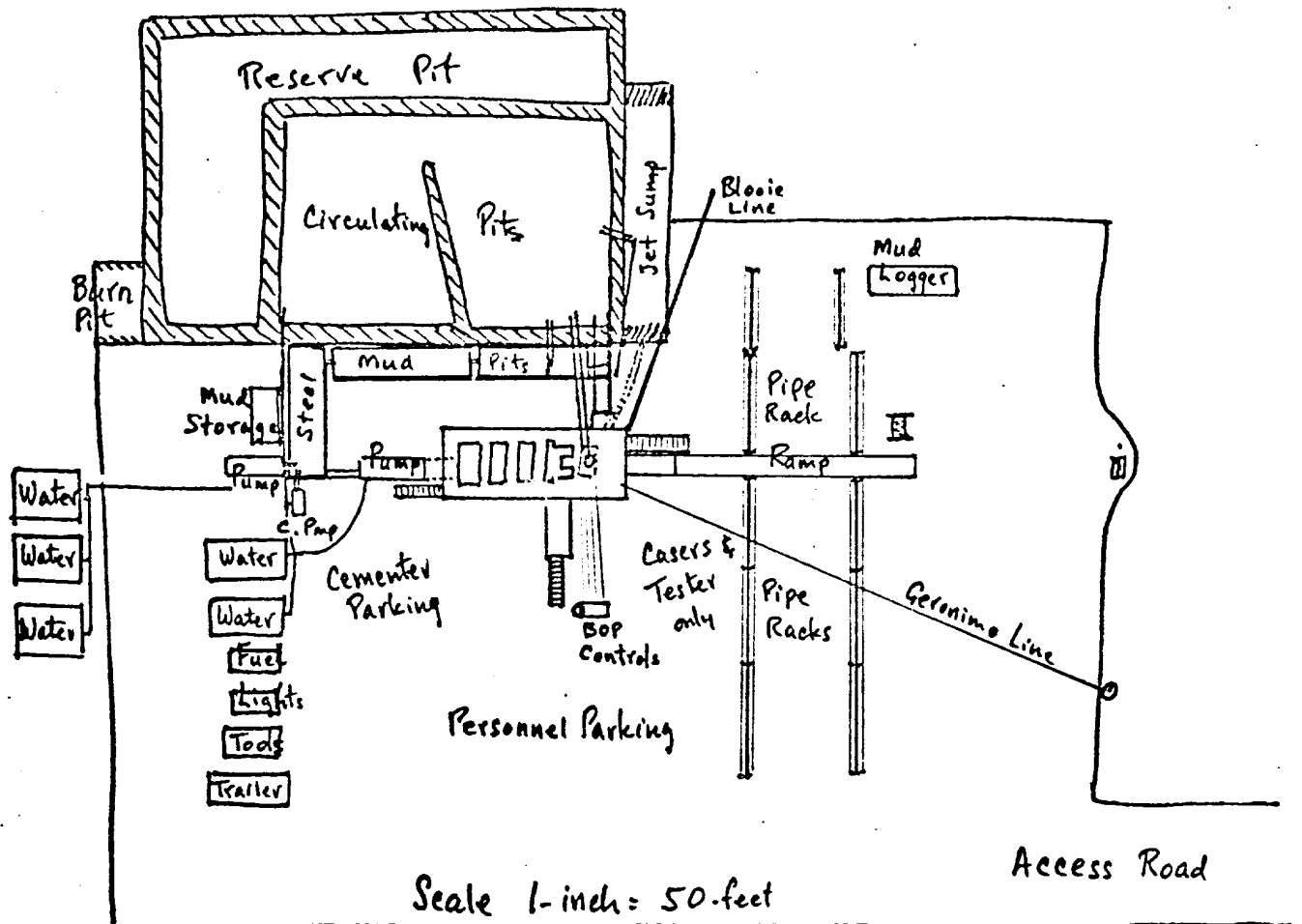
8-31-76
Date

Eddie L. Mahfood, Engr.
Name and Title

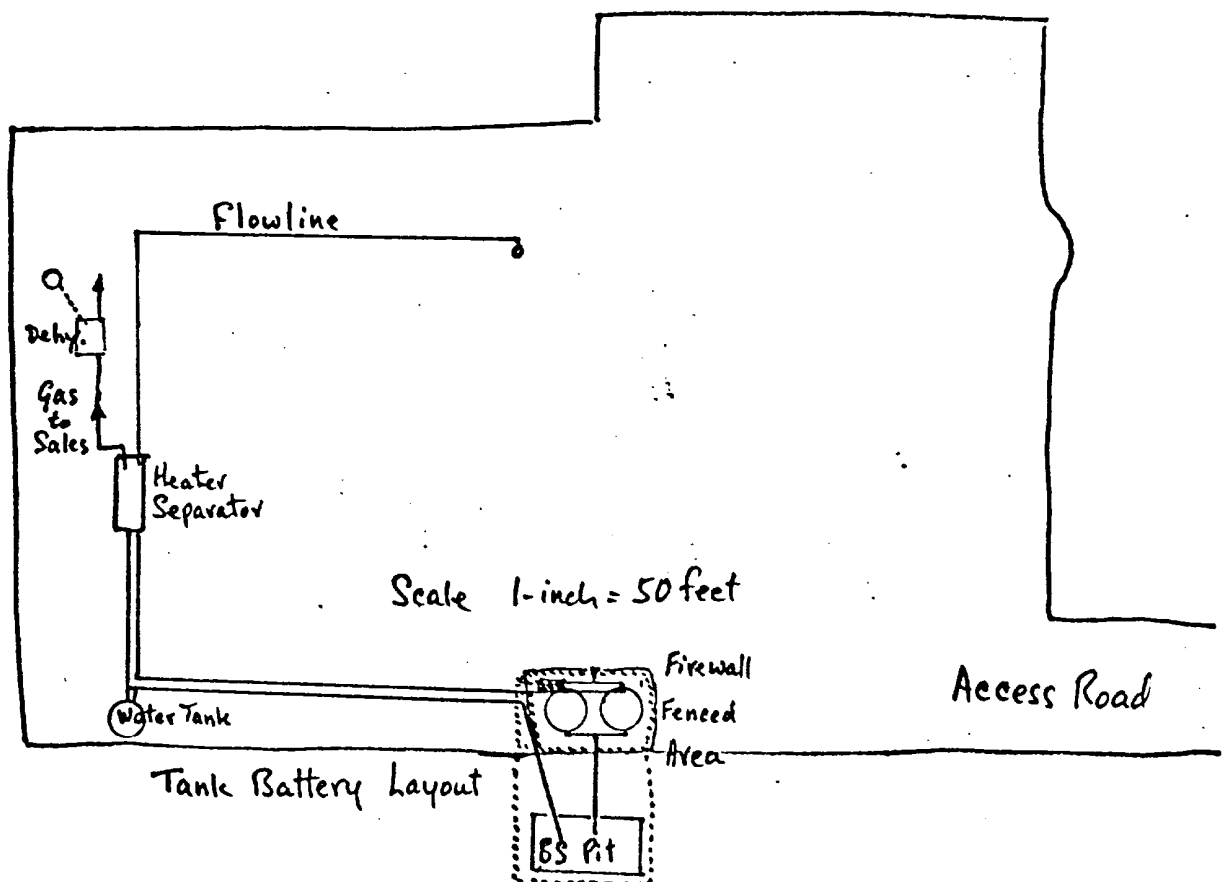


YPC - Federal BZ #16 Com

SENE Sec 28-17S-25E, Eddy County.



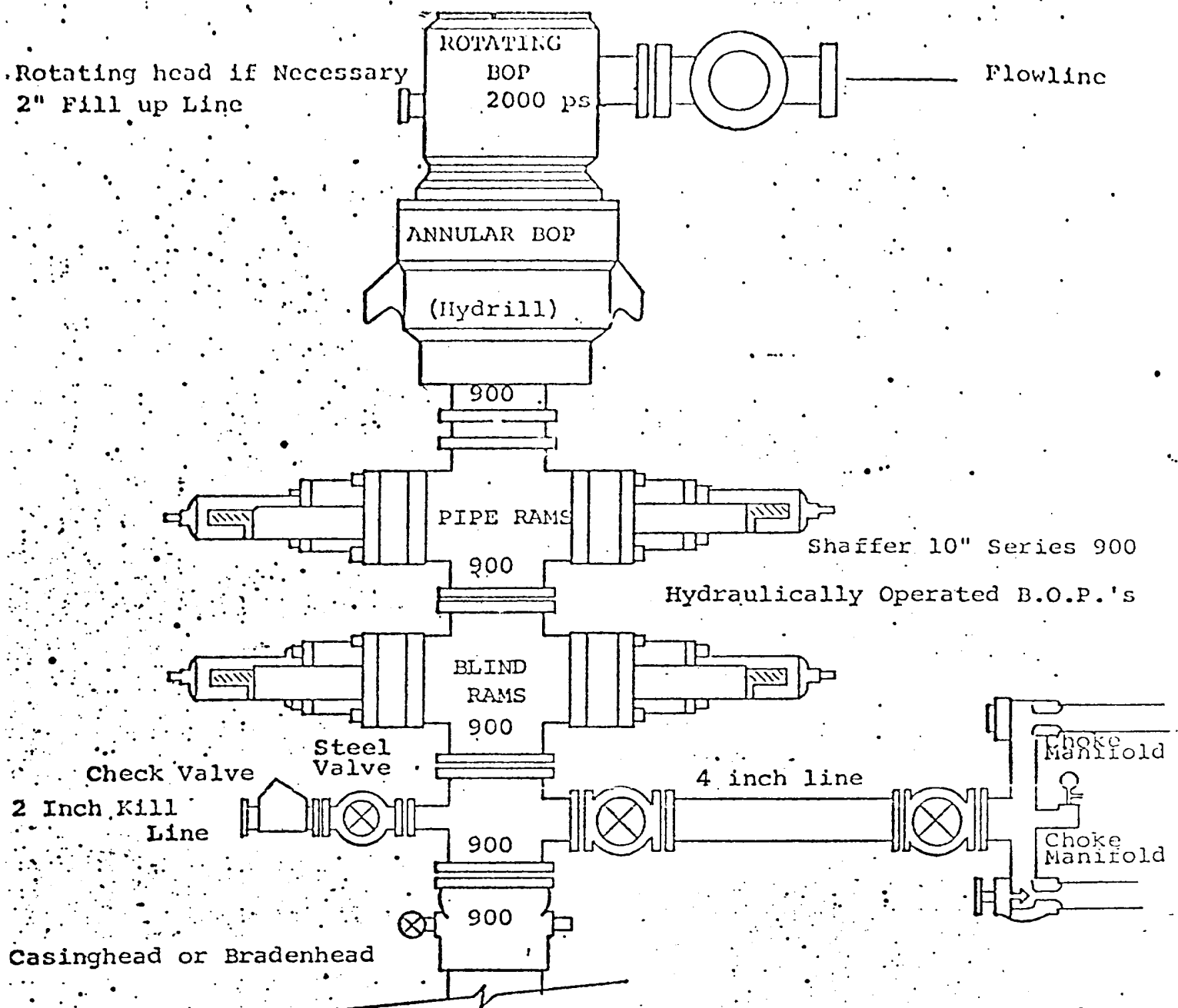
Drilling Rig Layout



Tank Battery Layout

Exhibit B

DIAGRAMMA 3 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. D.P. float must be installed and used below zone of first gas intrusion.

Exhibit C