

**RECEIVED**

Form 9-331 C  
(May 1963)

N M O C. C. COPY

SUBMIT IN LOCATE\*  
(Other Instructions on reverse side)

Form approved.  
Bureau No. 42-R1425.

SEP 14 1976

UNITED STATES  
DEPARTMENT OF THE INTERIOR

U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

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 Fourth Street, Artesia, NM 88210

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

2050' FNL & 660' FWL of Section 25-17S-24E  
At proposed prod. zone

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

7 miles Southwest 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 TO LEASE

ARTESIA, OFFICE

17. NO. OF ACRES ASSIGNED TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH  
Approx. 8000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3691' GR

22. APPROX. DATE WORK WILL START\*

Sept. 27, 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. 250'	Circulate
12½-11"	8-5/8"	32# K55 New	Approx. 950'	Circulate
7-7/8"	5½ or 4½"	15.5-17# K55 New	New TD	250 sacks
		10.5-11.6# K55 New		

Propose to drill to 8000' and test the Morrow and intermediate horizons. Approximately 250' of surface casing & cemented to the surface. Intermediate casing will be set 100' below the Artesian Water & cemented to the surface. If commercial pay is encountered, will run 5½" or 4½" casing & cement with minimum of 800' cover, perforate and stimulate as needed for production.

Mud Program: FW Gel & LCM to 950' (8.6-9.0 ppg), Water to 4500' (8.6-8.8 ppg), KCL-Flosal Mud to 7300' (8.6-8.9 ppg), Flosal-Drispak Mud to TD (8.8-9.0 ppg).

BOP Program: BOP's & Hydril will be installed on 8-5/8" casing & tested daily; will Yellow Jacket prior to drilling Wolfcamp.  
Gas not committed.

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 M. [Signature]*

TITLE Engineer

DATE 9-14-76

(This space for Federal or State office use)

APPROVAL DATE

TITLE

DATE

**APPROVED**

APPROVED 1976

CONDITIONS OF APPROVAL, IF ANY:

SEEKING  
ACTING DIRECTOR

THIS APPROVAL IS RECOMMENDED IF OPERATIONS HAVE NOT COMMENCED WITHIN 3 MONTHS.  
EXPIRES JAN 27 1977

See Instructions On Reverse Side

DECLARED WATER BASIN

RE CIRCULATED

NOTED HIGH IN EFFICIENT TIME TO  
WATER CEMENTING THE 5½"

CASH

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

RECEIVED  
OCT 14 1976  
U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

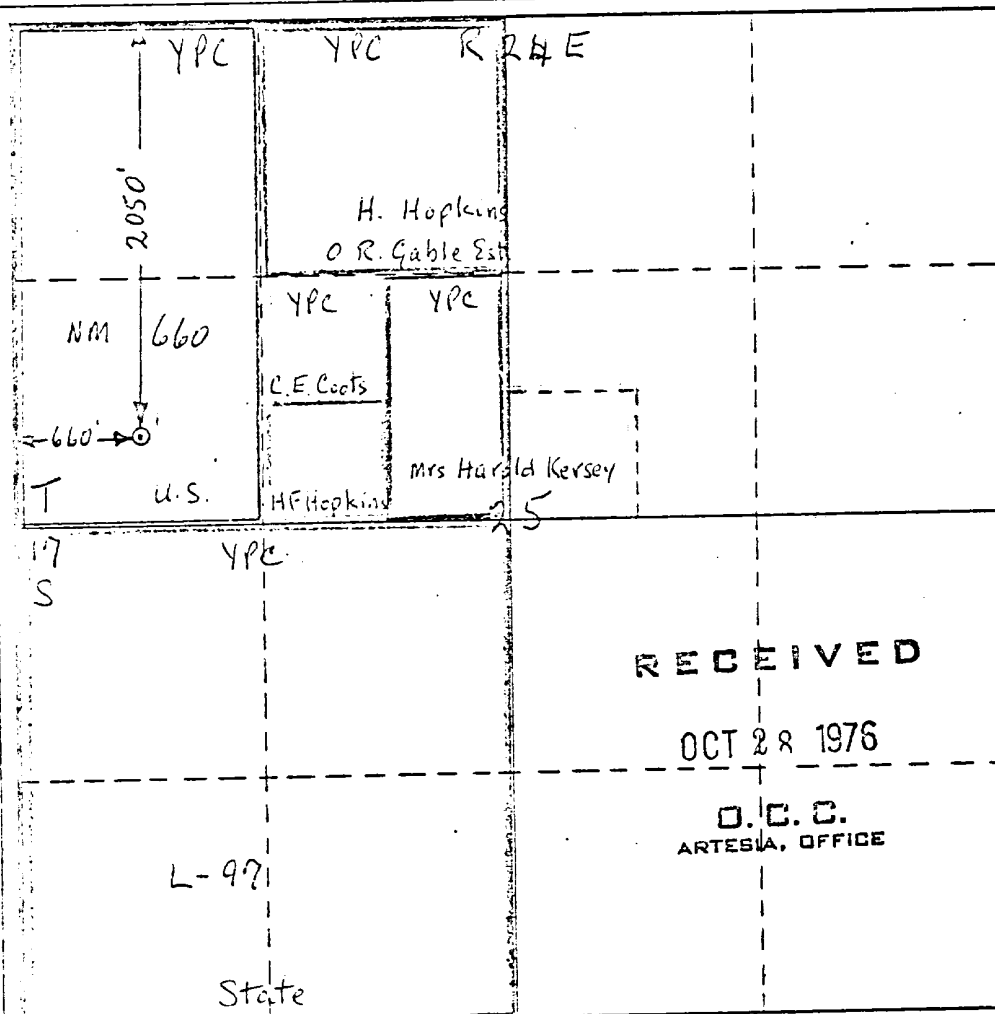
Operator: <u>Yates Petroleum Corp</u>			Lease: <u>Federal GRANT</u>			Well No. <u>1</u>
Unit Letter: <u>E</u>	Section: <u>25</u>	Township: <u>17S</u>	Range: <u>24E</u>	County: <u>Eddy</u>		
Actual Footage Location of Well: <u>2050</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line						
Ground Level Elev.: <u>3693</u>	Producing Formation: <u>Morrow</u>		Pool: <u>Wildcat</u> <u>Undesignated</u>	Dedicated Acreage: <u>320</u> 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 Being Communitized

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 Corp.

Date  
10/13/76

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. Originally 1980 FNL, moved 70' South upon recommendation by BLM.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor  
See original plat by  
Herchel Jones

Certificate No.

RECEIVED

OCT 28 1976

O.C.C.  
ARTESIA, OFFICE

L-971

State

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.

RECEIVED  
SEP 14 1976  
U.S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

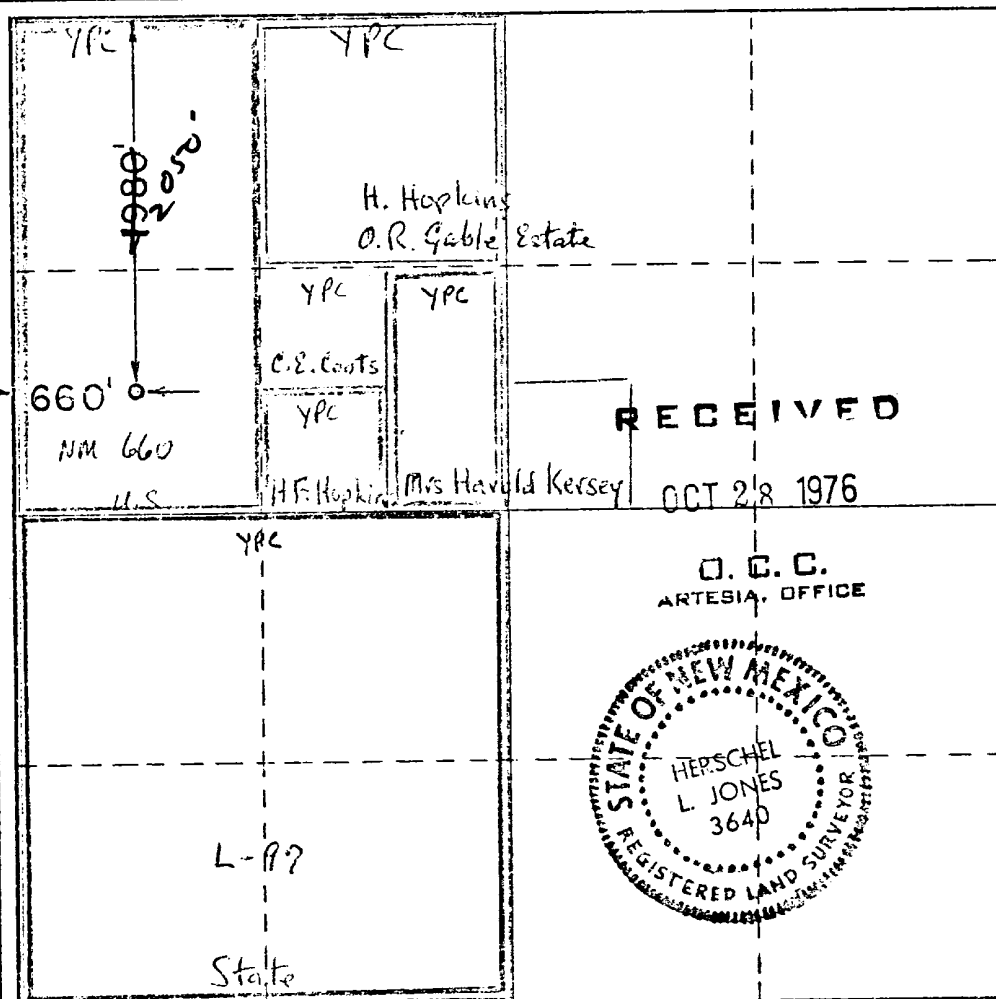
Operator <b>YATES PETROLEUM CORP.</b>		Lease <b>FEDERAL "GR"</b>		Well No. <b>1</b>	
Unit Letter <b>E</b>	Section <b>25</b>	Township <b>17 South</b>	Range <b>24 East</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3691</b>	Producing Formation <b>Morrow</b>		Pool <b>for all wildcat undesignated</b>	Dedicated Acreage: <b>320</b> 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 Being Communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

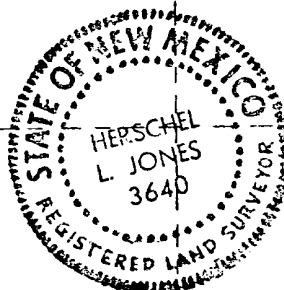
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



RECEIVED

OCT 28 1976

O. C. C.  
ARTESIA, OFFICE



CERTIFICATION

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

*Eddie M. Bradford*

Name  
Petroleum Engineer  
Position  
Yates Petroleum Corp.  
Company

Date  
September 14, 1976

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  
9/9/76

Registered Professional Engineer and/or Land Surveyor

*Herschel L. Jones*  
Certificate No.  
3640

YPC- Federal "CR" No. 1 Com. <sup>2050</sup>~~4480~~/N 660/W Sec 25-17S-24E, Edm. Co.

Other information to accompany form 9-331-c.

1. Surface Formation is: Quaternary Alluvium
2. Geologic Markers anticipated are: San Andres @ 5364R

Glorietta @ 1866

Abz @ 3268

Wolfcamp ls @ 5012

Cisco @ 6091

Laves Canyon @ 6965

Strawn @ 7463

Atoka @ 7699

Morrow Clastics @ 7841

Chester ls @ 7941

RECEIVED

SEP 14 1976

U. S. GEOLOGICAL SURVEY  
ARTESIA, NEW MEXICO

3. Surface Water anticipated @ Approx. 380 ft.  
Artesian Water Zone - @ Approx. 660 ft.  
Oil & Gas Pays anticipated in Basal Abz @  $\approx 5000'$  (gas)  $\approx 17500$   
Cisco Pass.  $\approx 6200$  (gas)  $\approx 23500$   
Morrow Pass.  $\approx 7880$  (gas)  $\approx$
4. Casing Program: See Form 9-331-c
5. Pressure Control: See Form 9-331-c & Exhibit "D"
6. Mud Program: See Form 9-331-c
7. Auxiliary Equipmt: Kelly cock; pit level indicators & flow sensor;  
Sub on floor with full-opening valve for drill pipe.
8. Drill-Stem Testing as warranted; mud-logger on at 4300'  
for sample analyses & gas detection; no coring anticipated.
9. This is an offset well to YPC-State DF #1, NW NW Sec. 35-17-24;  
pressure & temperature data from previous drilling experience;  
normal B.H. conditions; hydrogen sulfide and other toxic gases  
are minimal or non-existent; mud is inhibited for corrosion.
10. Anticipated Starting date: Soon as approved; Lease expires  
11-1-76.

RECEIVED

OCT 20 1976

D. C. C.  
ARTESIA, OFFICE

Elm.  
9-13-76

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

1. EXISTING ROADS: See Plat (Exhibit A) For inspection, go 4 miles west on U.S. 82 from U.S. 285, then south 1.4 miles, west 400', south  $\frac{1}{2}$  mile, west  $1\frac{1}{2}$  miles, south  $\frac{1}{2}$  mile, west 1 mile across cattleguard, north 0.2 mile to fence-corner, then west 1 mile through gate, then north to Eagle Draw and west along south bank of Draw for total of 2.2 miles to location. While drilling, go 9.5 miles west on U.S. 82 from U.S. 285 to Collins gate (now padlocked), then south and south-west 2.2 miles to Eagle Draw, across draw, southeast 0.5 mile and east 0.6 mile to rig. Ranch foreman, Fred Collins, presently oversees. Existing roads (color green) are ranch roads, bladed surface with rock & gravel. Road to be improved by blading, caliche & gravel, where boggy & watered. Other existing roads (color black) are lease roads maintained by YPC.
2. PLANNED ACCESS ROADS: See Plat (Exhibit A) Additional drilling planned for area south and east of this wellsite. After completion, it will be desirable to open access road south to Richard Knob development area; will go south to fence and install cattle-guard onto existing road.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibit A & B) This is a development Abo gas well and a step-out (exploratory) well for the Richard Knob Pennsylvanian gas fields. Producers include State "DF" #1 (D-35-17S-25E), Federal "CR" #1 (M-29-17S-25E), State "CY" #1 (K-32-17S-25E), Federal "EF" #1 (O-7-18S-25E). There are several shallow P & A wells in area and 1 dry deep test, Federal "CH" #2 (F-1-18S-24E). There are several windmills and shallow water wells in area.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) Tank Battery will be built in Southwest part of pad.
5. LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit A) Water supply well in NE NW Section 1-18S-24E. Water will be piped to location.
6. SOURCE OF CONSTRUCTION MATERIAL: Existing gravel pit in SE NW Section 14-17S-24E, but surface is mostly rocky and firm.
7. METHODS FOR HANDLING WASTE DISPOSAL: Steel pits for mixing mud; reserve pit for circulating mud and 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 C) Fairly level terrain draining to north-east; minor cut from south and west for fill on north-east corner. Reserve pit to be lined. Location is flagged.

RECEIVED

OCT 28 1976

O. C. C.  
ARTESIA, OFFICE

10. PLANS FOR RESTORATION OF SURFACE: Reserve pit to be fenced until dry then leveled. After rig moves, trash on wellsite will be placed in burn pit or jet sump and burned or buried, location leveled. Upon abandonment, location well be cleaned & restored to near original. No re-vegetative program required on account wind erosion & natural re-seeding.

---

11. OTHER INFORMATION: Rolling terrain with prairie grass, greasewood, tumbleweed and cactus. Restoration plans approved by ranch foreman, Fred D. Collins, Artesia, NM, 746-2846 & ranch owner, Mrs. Hazel Beavers, Sweetwater, TX, 915-235-5864. Surface owner is BLM.

---

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Eddie Mahfood or Leon Bergstrom, 207 South Fourth Street, Artesia, NM, 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 Corporation and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

9-16-76  
Date

Eddie Mahfood  
Name and Title

**RECEIVED**

**OCT 28 1976**

**O. C. C.  
ARTESIA, OFFICE**

OCT-28 1976

~~O.C.C.~~  
ARTEMA, OFFICE

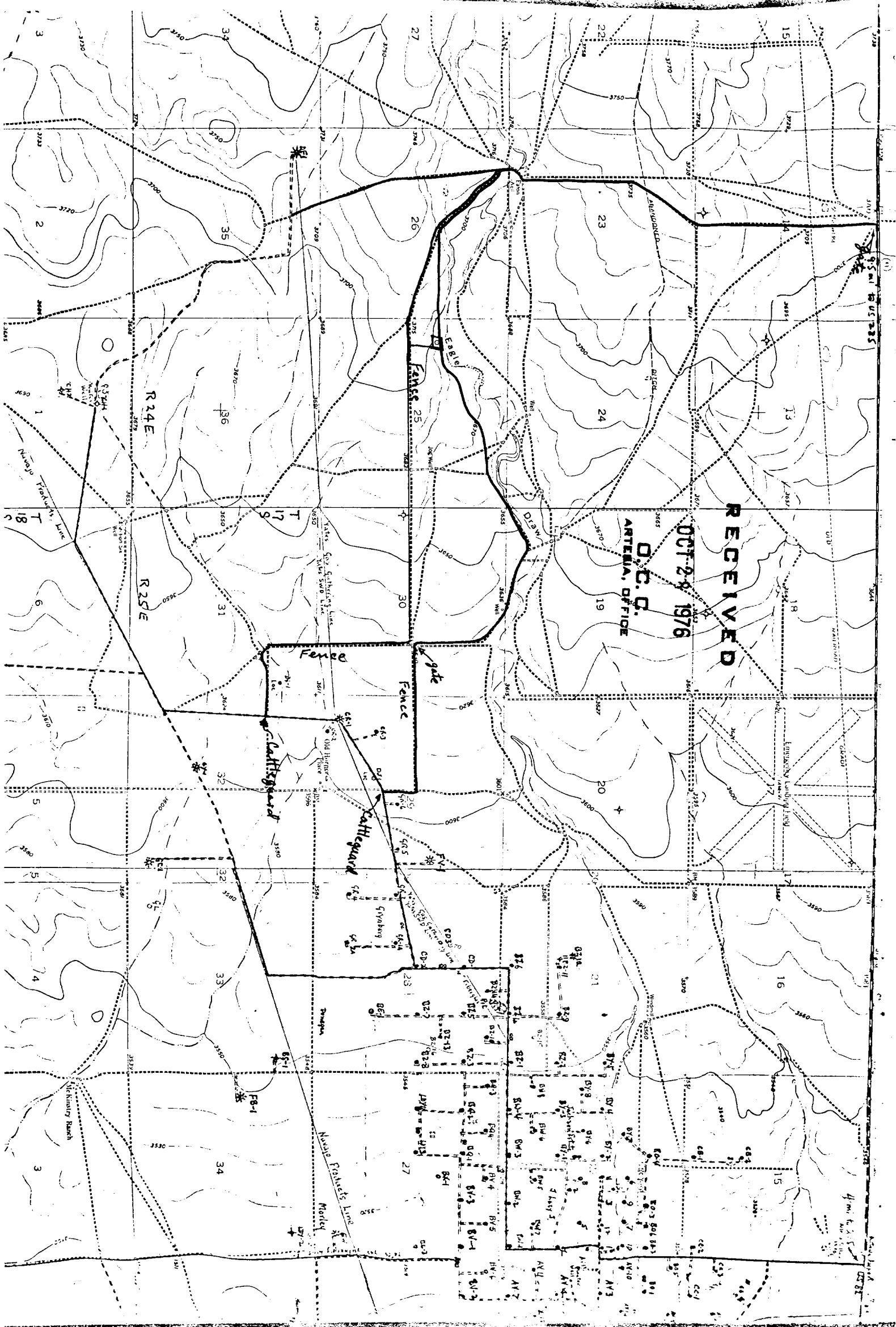
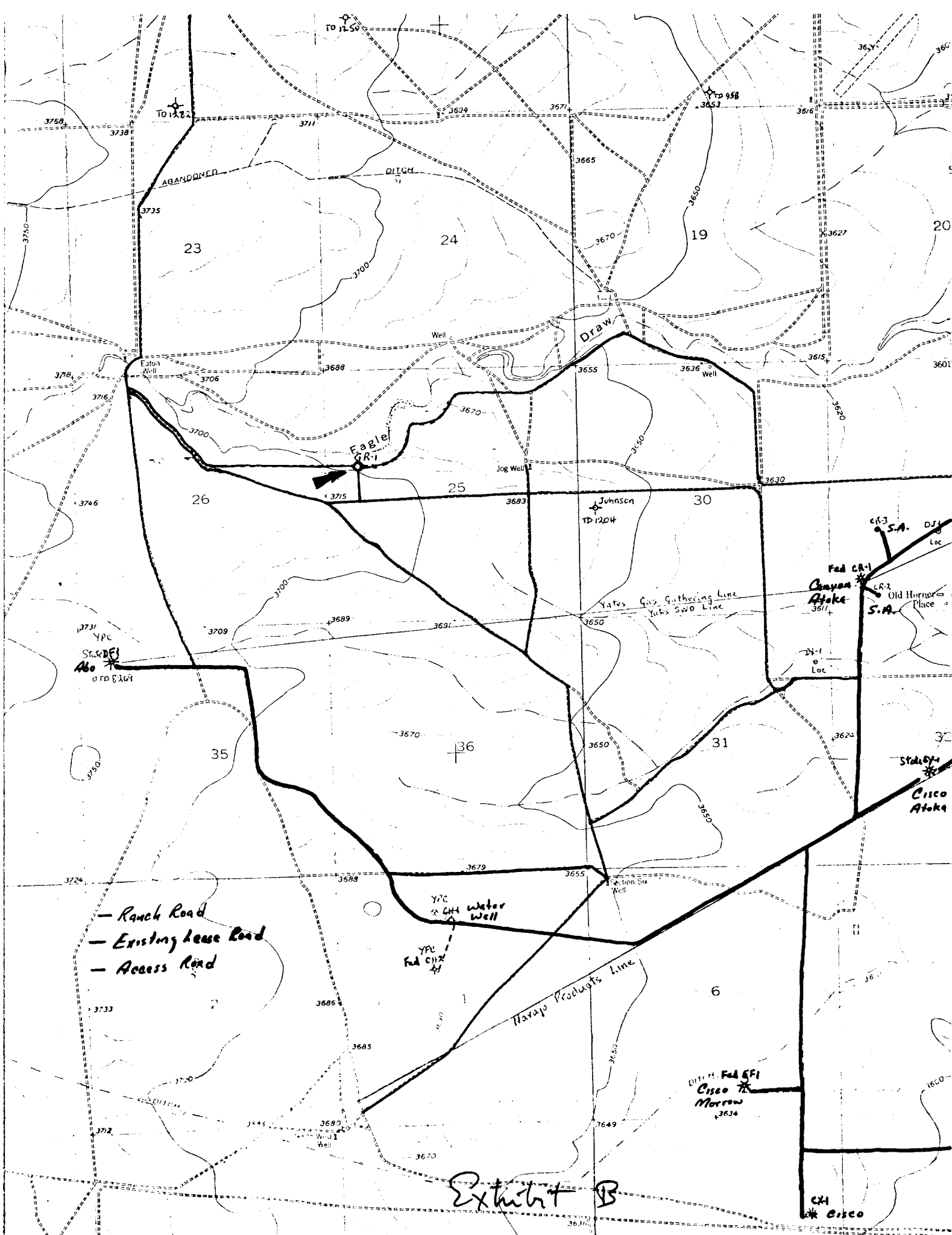


Exhibit A





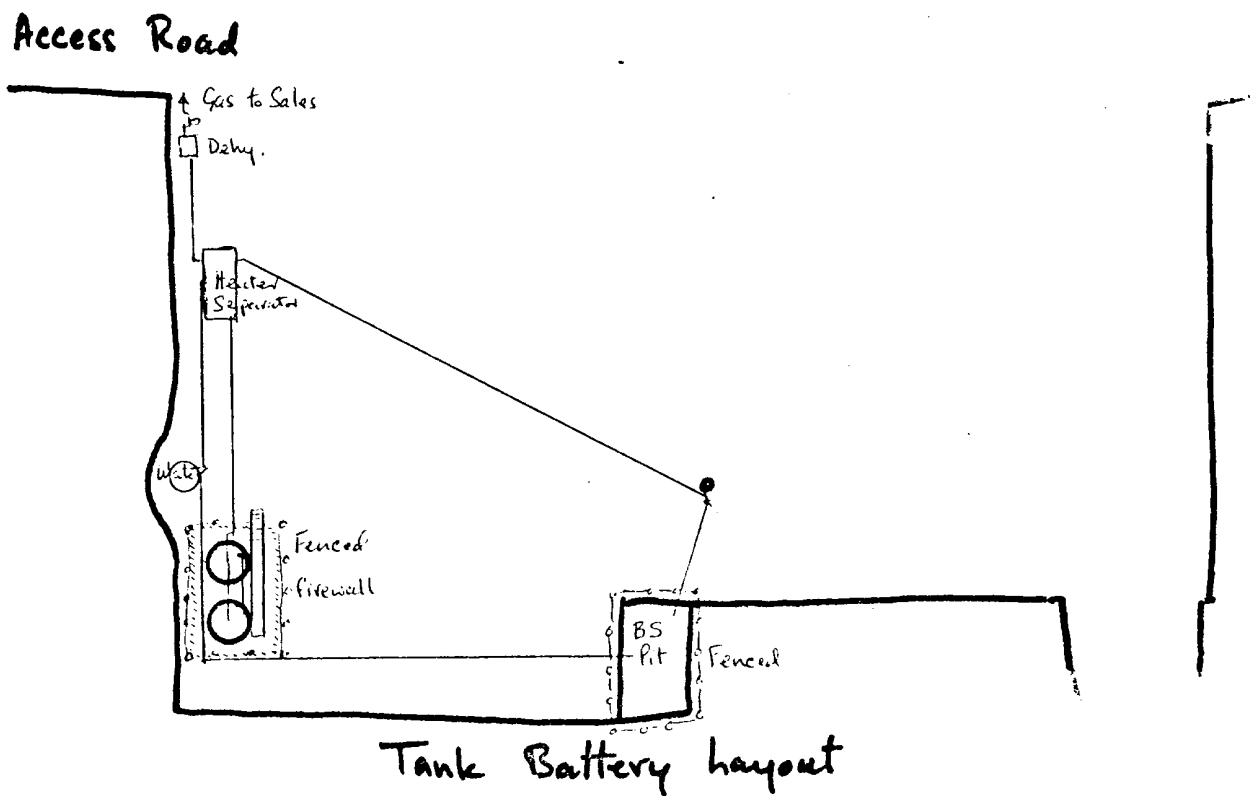
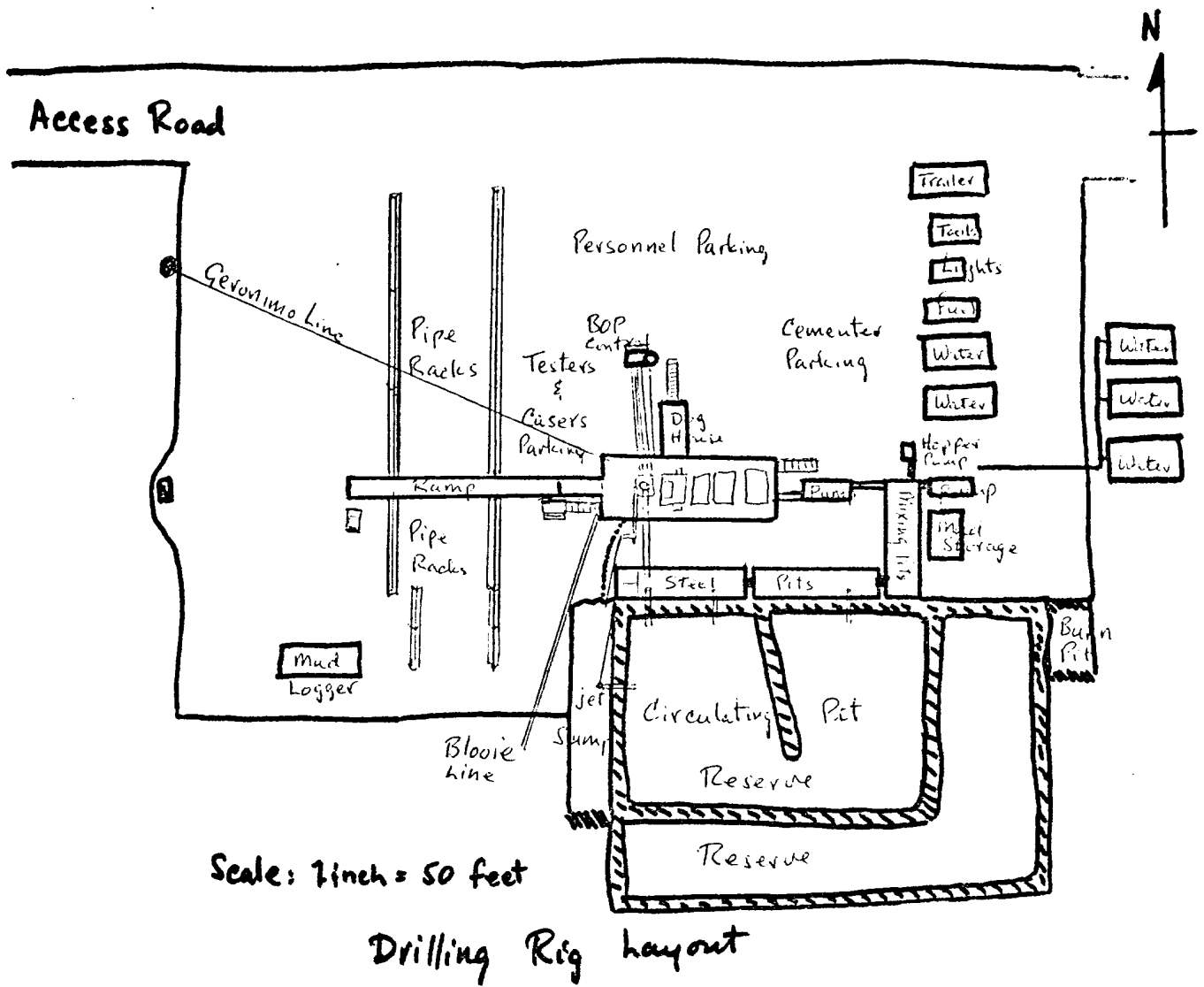
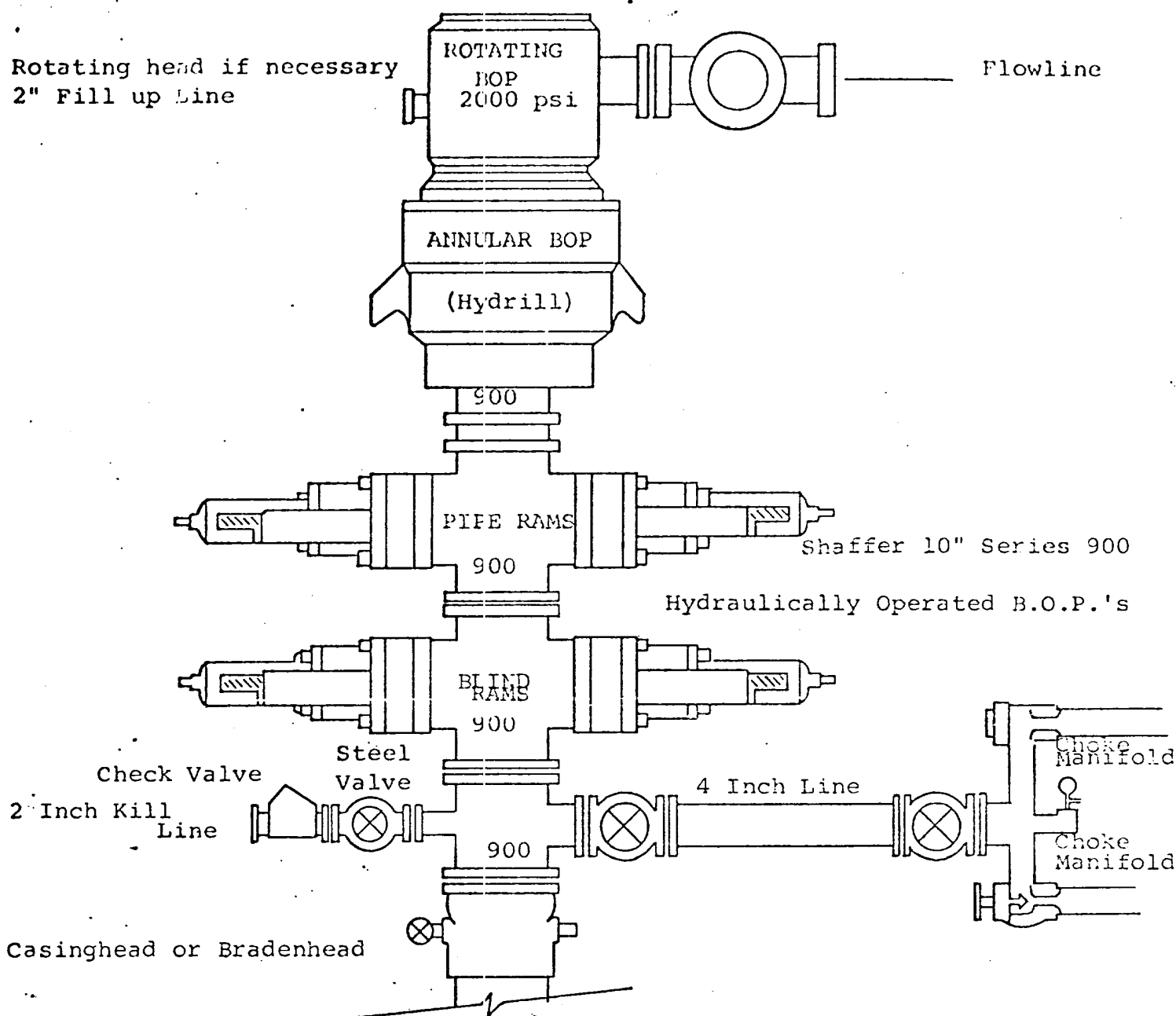


Exhibit C



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.

Exhibit "D"