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NEW MEXICO OIL CONSERVATION COMMISSION

OCT 31 1980

O. C. C.

30-015-23530

Form C-161
Revised 1-1-85

1. Name of Type of Lease	STATE <input type="checkbox"/> FEDERAL <input checked="" type="checkbox"/>
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2. Title of Lease	
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3. Name of Lessee	
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4. Name of Operator	
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5. Name of Lease	Jackson AT
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6. Well No.	12
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7. Field and Pool, or Well Test	Eagle Creek S.A.
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8. Section	
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9. Township	17S
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10. Range	25E
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11. County	Eddy
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12. Proposed Depth	approx. 1500
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13. Formation	San Andres
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14. Method of Completion	Rotary
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15. Kind of Casing Plug, Bond	Blanket
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16. Drilling Contractor	L&M Drilling Co.
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17. Approx. Date Work will start	As soon as approved
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18. Cement	3400 GL
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19. Kind of Cement	Blanket
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20. Drilling Contractor	L&M Drilling Co.
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21. Approx. Date Work will start	As soon as approved
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22. Cement	3400 GL
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23. Kind of Cement	Blanket
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24. Drilling Contractor	L&M Drilling Co.
-------------------------	------------------

25. Approx. Date Work will start	As soon as approved
----------------------------------	---------------------

26. Cement	3400 GL
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27. Kind of Cement	Blanket
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28. Drilling Contractor	L&M Drilling Co.
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29. Approx. Date Work will start	As soon as approved
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APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. Type of Work	DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>
2. Type of well	CIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> OTHER <input type="checkbox"/>
3. Name of Lessee	Yates Petroleum Corporation
4. Address of Lessee	207 South 4th Street, Artesia, NM 88210
5. Location of well	UNIT LETTER N LOCATED 990 FEET FROM THE South LINE
6. Section	2310
7. Township	West
8. Range	14
9. County	17S
10. State	25E

11. Name of Lessee	Yates Petroleum Corporation
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12. Address of Lessee	207 South 4th Street, Artesia, NM 88210
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13. Location of well	UNIT LETTER N LOCATED 990 FEET FROM THE South LINE
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14. Section	2310
-------------	------

15. Township	West
--------------	------

16. Range	14
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17. County	17S
------------	-----

18. State	25E
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19. Name of Lessee	Yates Petroleum Corporation
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20. Address of Lessee	207 South 4th Street, Artesia, NM 88210
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21. Location of well	UNIT LETTER N LOCATED 990 FEET FROM THE South LINE
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22. Section	2310
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23. Township	West
--------------	------

24. Range	14
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25. County	17S
------------	-----

26. State	25E
-----------	-----

27. Name of Lessee	Yates Petroleum Corporation
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28. Address of Lessee	207 South 4th Street, Artesia, NM 88210
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29. Location of well	UNIT LETTER N LOCATED 990 FEET FROM THE South LINE
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30. Section	2310
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31. Township	West
--------------	------

32. Range	14
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33. County	17S
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34. State	25E
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PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	10 3/4"	32#	approx. 330'	Circulate	
9 1/2"	7"	20#	approx. 1150'	Circulate	
6 1/2"	4 1/2" & 5 1/2"	10.5 & 15.5#	TD	Circulate	

Propose to drill a San Andres test. Approximately 330' of 10 3/4" casing will be run if needed, and cemented to the surface to shut off surface gravel and cavings, 7" casing will be run 100' below the Artesian Zone, cemented to surface. A tapered string of production casing will be run and cemented, perforated and San frac'd for completion.

MUD PROGRAM: Fresh water mud w/LCM from surface to 1150', fresh water to total depth.

BOP PROGRAM: BOP's to be installed on 7" casing and tested daily.

APPROVAL VAND AP

FOR 90 DAYS UNLESS

DRILLING COMPLETION

EXPIRES 2-6-81

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 John A. Lopez Title Regulatory Coordinator Date 10/29/80

(This space for State Use)

APPROVED BY W. A. Gusscott TITLE SUPERVISOR, DISTRICT II DATE NOV 06 1980

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to surface behind all casing

Notify N.M.O.C.C. in sufficient time to witness cementing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-192
Supersedes C-128
Effective 1-1-65

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

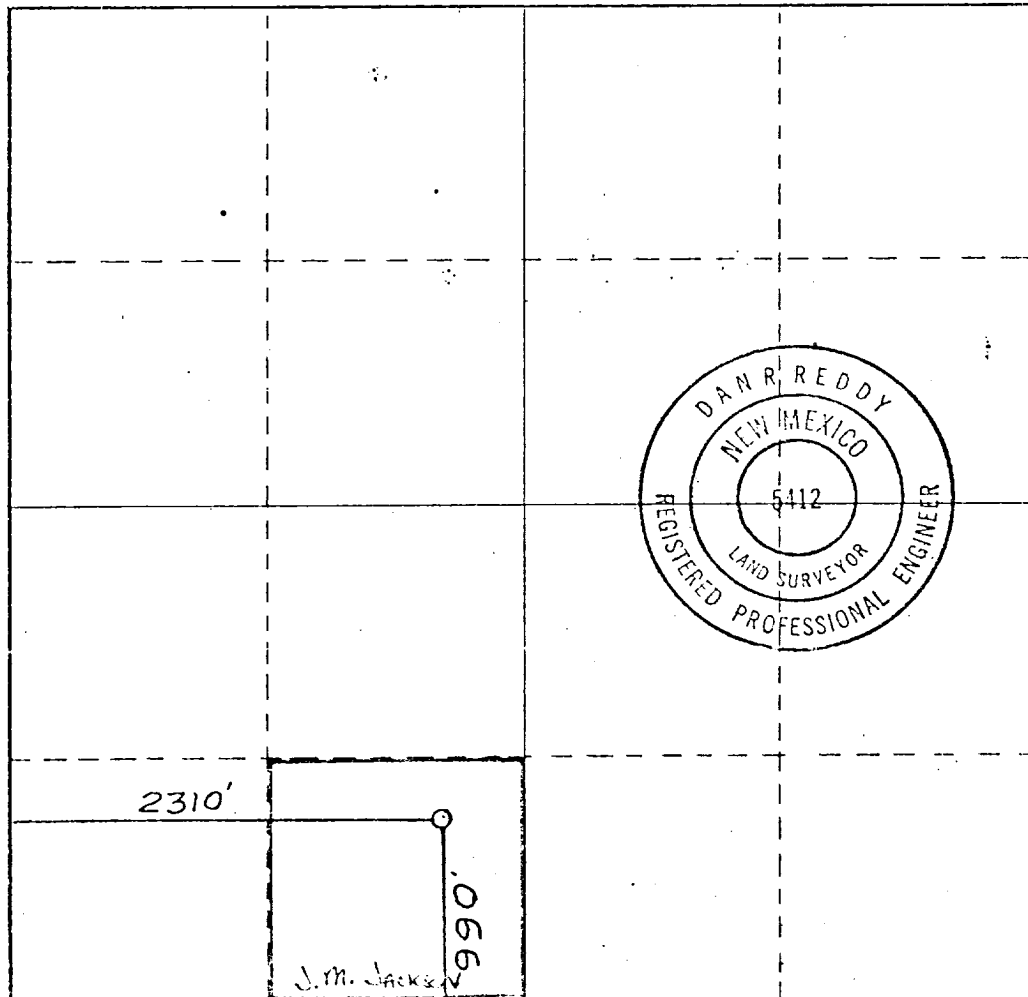
Operator VATES PETROLEUM CORPORATION			Lease Jackson AT		Well No. 12
Unit Letter N	Section 14	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 990 feet from the South line and 2310 feet from the West line					
Ground Level Elev. 3490.	Producing Formation SAN ANDRES		Pool 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.

Johnny A. Lopez
Name

JOHNNY A. LOPEZ
Position

REGULATORY COORDINATOR
Company

VATES PETROLEUM CORPORATION
Date

10/31/80

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

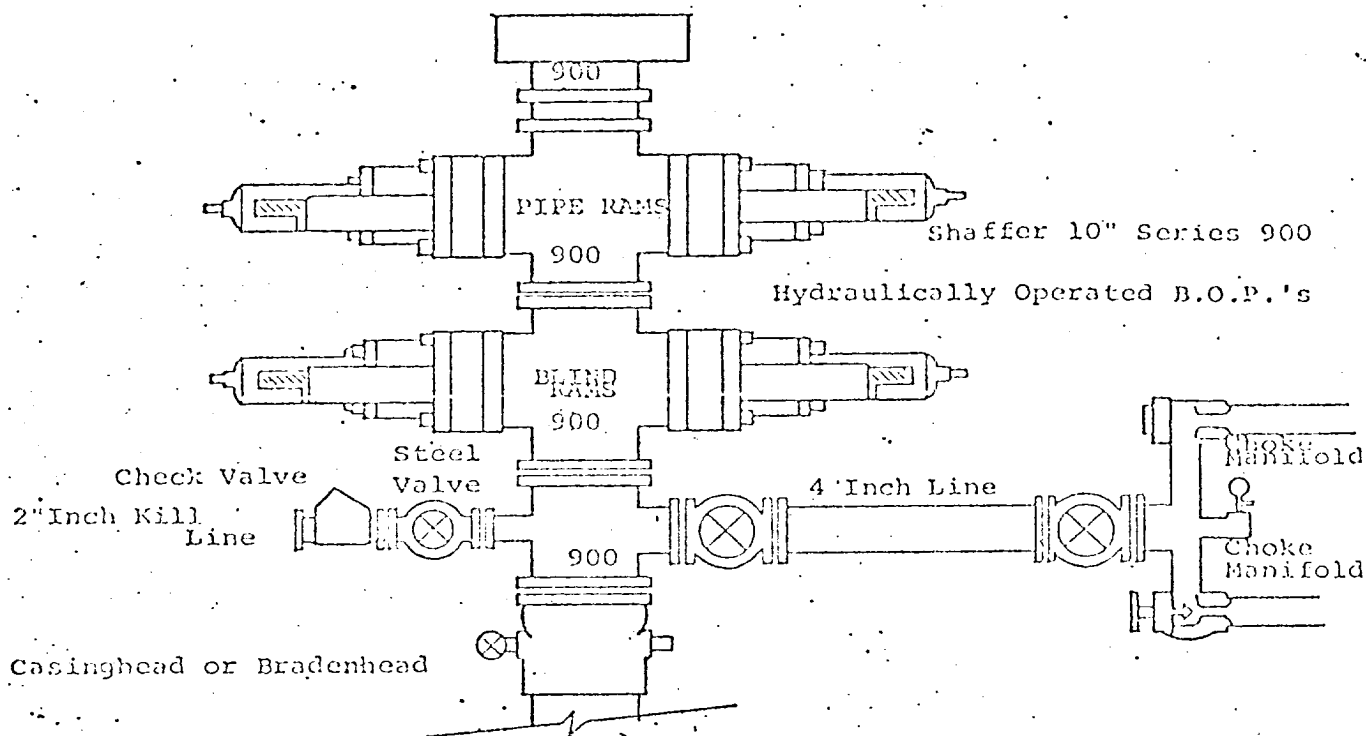
October 25, 1980

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PELS #5412

0 310 620 930 1240 1550 1860 2170 2480 2790 3100 3410 3720 4030 4340 4650 4960 5270 5580 5890 6200 6510 6820 7130 7440 7750 8060 8370 8680 8990 9300 9610 9920 10230 10540 10850 11160 11470 11780 12090 12400 12710 13020 13330 13640 13950 14260 14570 14880 15190 15500 15810 16120 16430 16740 17050 17360 17670 17980 18290 18600 18910 19220 19530 19840 20150 20460 20770 21080 21390 21700 22010 22320 22630 22940 23250 23560 23870 24180 24490 24800 25110 25420 25730 26040 26350 26660 26970 27280 27590 27900 28210 28520 28830 29140 29450 29760 30070 30380 30690 31000 31310 31620 31930 32240 32550 32860 33170 33480 33790 34100 34410 34720 35030 35340 35650 35960 36270 36580 36890 37200 37510 37820 38130 38440 38750 39060 39370 39680 39990 40300 40610 40920 41230 41540 41850 42160 42470 42780 43090 43400 43710 44020 44330 44640 44950 45260 45570 45880 46190 46500 46810 47120 47430 47740 48050 48360 48670 48980 49290 49600 49910 50220 50530 50840 51150 51460 51770 52080 52390 52700 53010 53320 53630 53940 54250 54560 54870 55180 55490 55800 56110 56420 56730 57040 57350 57660 57970 58280 58590 58900 59210 59520 59830 60140 60450 60760 61070 61380 61690 62000 62310 62620 62930 63240 63550 63860 64170 64480 64790 65100 65410 65720 66030 66340 66650 66960 67270 67580 67890 68200 68510 68820 69130 69440 69750 70060 70370 70680 70990 71300 71610 71920 72230 72540 72850 73160 73470 73780 74090 74400 74710 75020 75330 75640 75950 76260 76570 76880 77190 77500 77810 78120 78430 78740 79050 79360 79670 79980 80290 80600 80910 81220 81530 81840 82150 82460 82770 83080 83390 83700 84010 84320 84630 84940 85250 85560 85870 86180 86490 86800 87110 87420 87730 88040 88350 88660 88970 89280 89590 89900 90210 90520 90830 91140 91450 91760 92070 92380 92690 93000 93310 93620 93930 94240 94550 94860 95170 95480 95790 96100 96410 96720 97030 97340 97650 97960 98270 98580 98890 99200 99510 99820 100130 100440 100750 101060 101370 101680 101990 102300 102610 102920 103230 103540 103850 104160 104470 104780 105090 105400 105710 106020 106330 106640 106950 107260 107570 107880 108190 108500 108810 109120 109430 109740 110050 110360 110670 110980 111290 111600 111910 112220 112530 112840 113150 113460 113770 114080 114390 114700 115010 115320 115630 115940 116250 116560 116870 117180 117490 117800 118110 118420 118730 119040 119350 119660 119970 120280 120590 120900 121210 121520 121830 122140 122450 122760 123070 123380 123690 124000 124310 124620 124930 125240 125550 125860 126170 126480 126790 127100 127410 127720 128030 128340 128650 128960 129270 129580 129890 130200 130510 130820 131130 131440 131750 132060 132370 132680 132990 133300 133610 133920 134230 134540 134850 135160 135470 135780 136090 136400 136710 137020 137330 137640 137950 138260 138570 138880 139190 139500 139810 140120 140430 140740 141050 141360 141670 141980 142290 142600 142910 143220 143530 143840 144150 144460 144770 145080 145390 145700 146010 146320 146630 146940 147250 147560 147870 148180 148490 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193130 193440 193750 194060 194370 194680 194990 195300 195610 195920 196230 196540 196850 197160 197470 197780 198090 198400 198710 199020 199330 199640 199950 200260 200570 200880 201190 201500 201810 202120 202430 202740 203050 203360 203670 203980 204290 204600 204910 205220 205530 205840 206150 206460 206770 207080 207390 207700 208010 208320 208630 208940 209250 209560 209870 210180 210490 210800 211110 211420 211730 212040 212350 212660 212970 213280 213590 213900 214210 214520 214830 215140 215450 215760 216070 216380 216690 217000 217310 217620 217930 218240 218550 218860 219170 219480 219790 220100 220410 220720 221030 221340 221650 221960 222270 222580 222890 223200 223510 223820 224130 224440 224750 225060 225370 225680 225990 226300 226610 226920 227230 227540 227850 228160 228470 228780 229090 229400 229710 230020 230330 230640 230950 231260 231570 231880 232190 232500 232810 233120 233430 233740 234050 234360 234670 234980 235290 235600 235910 236220 236530 236840 237150 237460 237770 238080 238390 238700 239010 239320 239630 239940 240250 240560 240870 241180 241490 241800 242110 242420 242730 243040 243350 243660 243970 244280 244590 244900 245210 245520 245830 246140 246450 246760 247070 247380 247690 248000 248310 248620 248930 249240 249550 249860 250170 250480 250790 251100 251410 251720 252030 252340 252650 252960 253270 253580 253890 254200 254510 254820 255130 255440 255750 256060 256370 256680 256990 257300 257610 257920 258230 258540 258850 259160 259470 259780 260090 260400 260710 261020 261330 261640 261950 262260 262570 262880 263190 263500 263810 264120 264430 264740 265050 265360 265670 265980 266290 266600 266910 267220 267530 267840 268150 268460 268770 269080 269390 269700 270010 270320 270630 270940 271250 271560 271870 272180 272490 272800 273110 273420 273730 274040 274350 274660 274970 275280 275590 275900 276210 276520 276830 277140 277450 277760 278070 278380 278690 279000 279310 279620 279930 280240 280550 280860 281170 281480 281790 282100 282410 282720 283030 283340 283650 283960 284270 284580 284890 285200 285510 285820 286130 286440 286750 287060 287370 287680 287990 288300 288610 288920 289230 289540 289850 290160 290470 290780 291090 291400 291710 292020 292330 292640 292950 293260 293570 293880 294190 294500 294810 295120 295430 295740 296050 296360 296670 296980 297290 297600 297910 298220 298530 298840 299150 299460 299770 300080 300390 300700 301010 301320 301630 301940 302250 302560 302870 303180 303490 303800 304110 304420 304730 305040 305350 305660 305970 306280 306590 306900 307210 307520 307830 308140 308450 308760 309070 309380 309690 309999



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.