

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY(Other instructions
reverse side)

30-015-23718

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 Drilling Co. ✓

3. ADDRESS OF OPERATOR

207 S. 4th Street, Artesia, NM 88210

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

At surface

1980' FNL & 1980' FWL

At proposed prod. zone

Same

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

Approx. 6 miles east and south of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1980'

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES IN LEASE

160

19. PROPOSED DEPTH

approx. 3100'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3374 GL

22. APPROX. DATE WORK WILL START*

As soon as approved

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	10 3/4"	32.3# J-55	approx. 310'	250 circulate
9 1/2"	7"	20# J-55	approx. 970'	550 circulate
6 1/4"	4 1/2"	9.5# J-55	approx. 3100'	300 circulate

We propose to drill and test the Yeso and San Andres formations. Approximately 310' of surface casing will be set to shut off gravel and caving. Intermediate casing will be set at least 100' below the Artesian Water Zone. 4 1/2" production casing will be run, perforated and possible sand frac'd for production.

MUD PROGRAM: Fresh water gel to 970', fresh water to TD.

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

GAS NOT DEDICATED:

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

TITLE Geographer

DATE 2/24/81

(This space for Federal or State office use)

PERMIT NO.

APPROVED

Sgd.) GEORGE H. STEWART

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL

TITLE

DATE

MAR 20 1981
JAMES A. GILLHAM
DISTRICT SUPERVISOR

5. LEASE DESIGNATION AND SERIAL NO.

NM 32585

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Logan Draw Yeso "OT" Fed

9. WELL NO.

1

RECEIVED

10. FIELD AND POOL, OR WILDCAT

Wildcat

T., R., M., OR BLK.

SURVEY OR AREA

Ut-F

Sec 20-17S-27E

COUNTY OR PARISH

Eddy

NM

13. STATE

MAR 25 1981

O. C. D.

ARTEZIA 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.

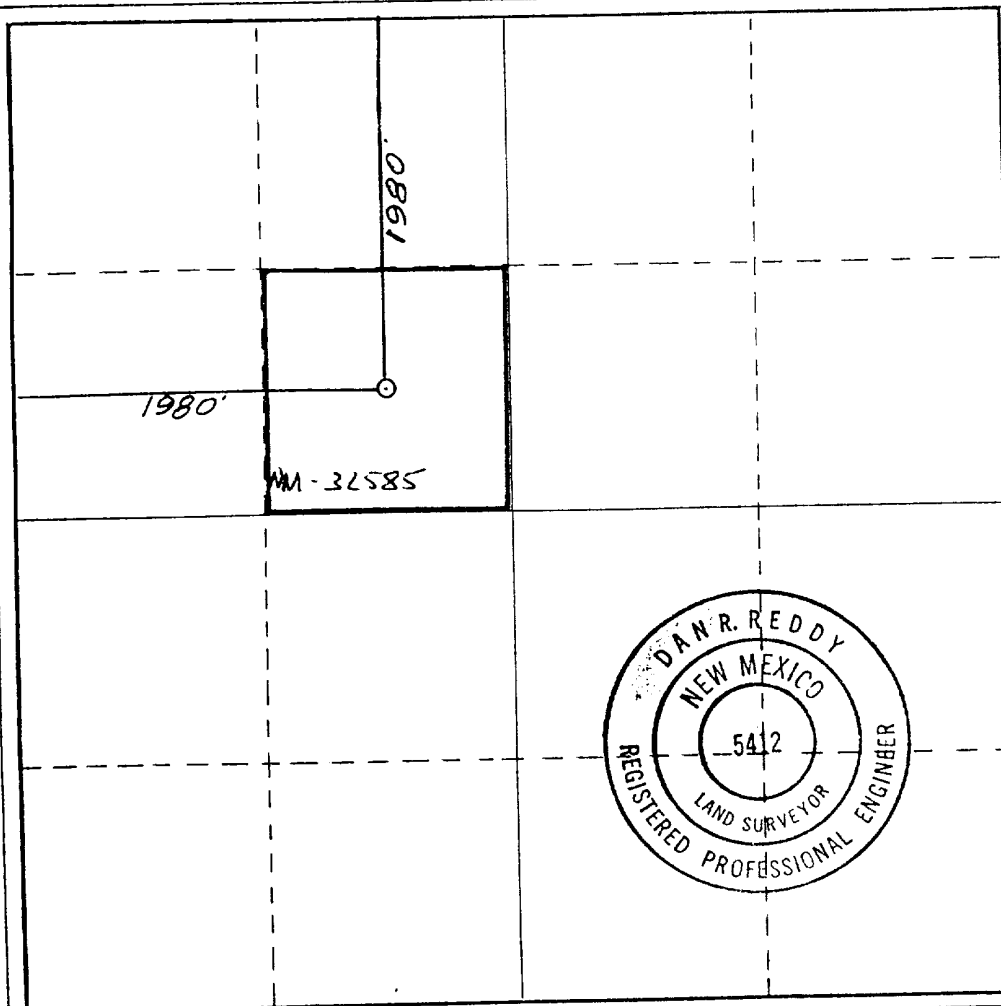
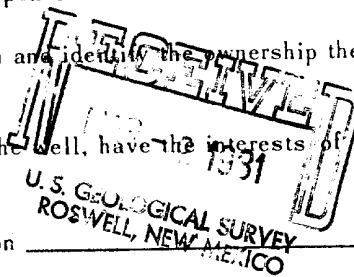
Operator YATES DRILLING COMPANY			Lease Logan Draw Yeso OT Fed.		Well No. 1
Unit Letter F	Section 20	Township 17 South	Range 27 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the West line					
Ground Level Elev. 3374.	Producing Formation YESO	Pool Wildcat YESO		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.

Gliserio Rodriguez
Name

GLISERIO RODRIGUEZ
Position

GEOGRAPHER
Company

YATES PETROLEUM CORP.
Date

2-11-81

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

February 7, 1981

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PE&LS #5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Yates Drilling Company
Logan Draw Yeso "OT" Fed. #1
1980' FNL & 1980' FWL
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Drilling Company submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is sandy alluvium.
2. The estimate tops of geologic markers are as follows:

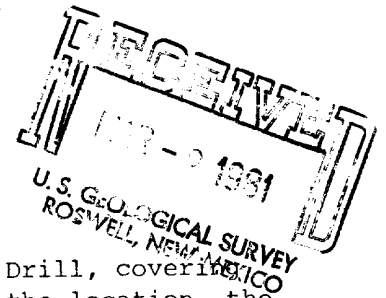
San Andres	1319'
Glorieta	2664'
3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered.

Water:	Approximately - 100', 150'
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4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples:	10' spls - surface to TD
DST's:	As warranted
Logging:	Intermediate casing - T.D.
	CNL-FDC T.D. to casing with GR-CNL on to surface and DLL from T.D.
	to casing with selected R_xO .
9. No abnormal pressures or temperatures are indicated.
10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Drilling Company
Logan Draw Yeso "OT" Fed. #1
1980' FNL & 1980' FWL
(Exploratory Well)



This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location, the construction activities and operations plan, the surface disturbance involved, and the rehabilitation of the surface after completion of the well so that an appraisal can be made of the environment effected with this well.

1. EXISTING ROADS.

Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 6 miles SE of Artesia, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed east from Artesia on Highway 82 for a distance of approximately 5 miles.
2. Turn south on to a secondary paved road for approximately 1 mile to pipeline marker #6. Turn southeast along existing pipeline road 1/3 of a mile. Turn left to location.

2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 100' in length from point of origin to the edge of the drilling pad. Earthen ramp will be constructed over the pipeline going through location existing pipeline road will be up graded. No new road will be built.
- B. The road will be 12 feet in width (driving surface), except at the point of origin, adjacent to the paved road, at which point enough additional width will be provided to allow the trucks and equipment to turn.
- C. The road will be covered with the necessary depth of caliche. The surface will be crowned, with drainage on one side. No turnout will be necessary.
- D. The road has been flagged and the route of the road is clearly visible.

3. LOCATION OF EXISTING WELLS.

- A. There aren't any well sights within a one-mile radius of the wellsite. See Exhibit A.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS

- A. Any caliche required for construction of the drilling pad will be obtained from the nearest public pit 1.5 miles to the south.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. The location is fairly flat.
- B. The reserve pits will be plastic lined.
- C. The pad area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.

- B. Unguarded pits, if any, containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the BLM and the USGS will be complied with and will be accomplished as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is gently sloping. The immediate area of the wellsite is discussed above in paragraph 9A.
- B. Flora and Fauna: The vegetation cover consists of prairie grass, prairie flowers, greasewood and miscellaneous desert growth. No wildlife was observed, but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. The Pecos River flows north to south within a mile of the location.
- D. There are no inhabited dwellings in the vicinity of the proposed wells.
- E. Surface Ownership: The wellsite is on fee surface owned by G.I. Johnson, Artesia, New Mexico
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representative responsible for assuring compliance with the approved surface use plan are:

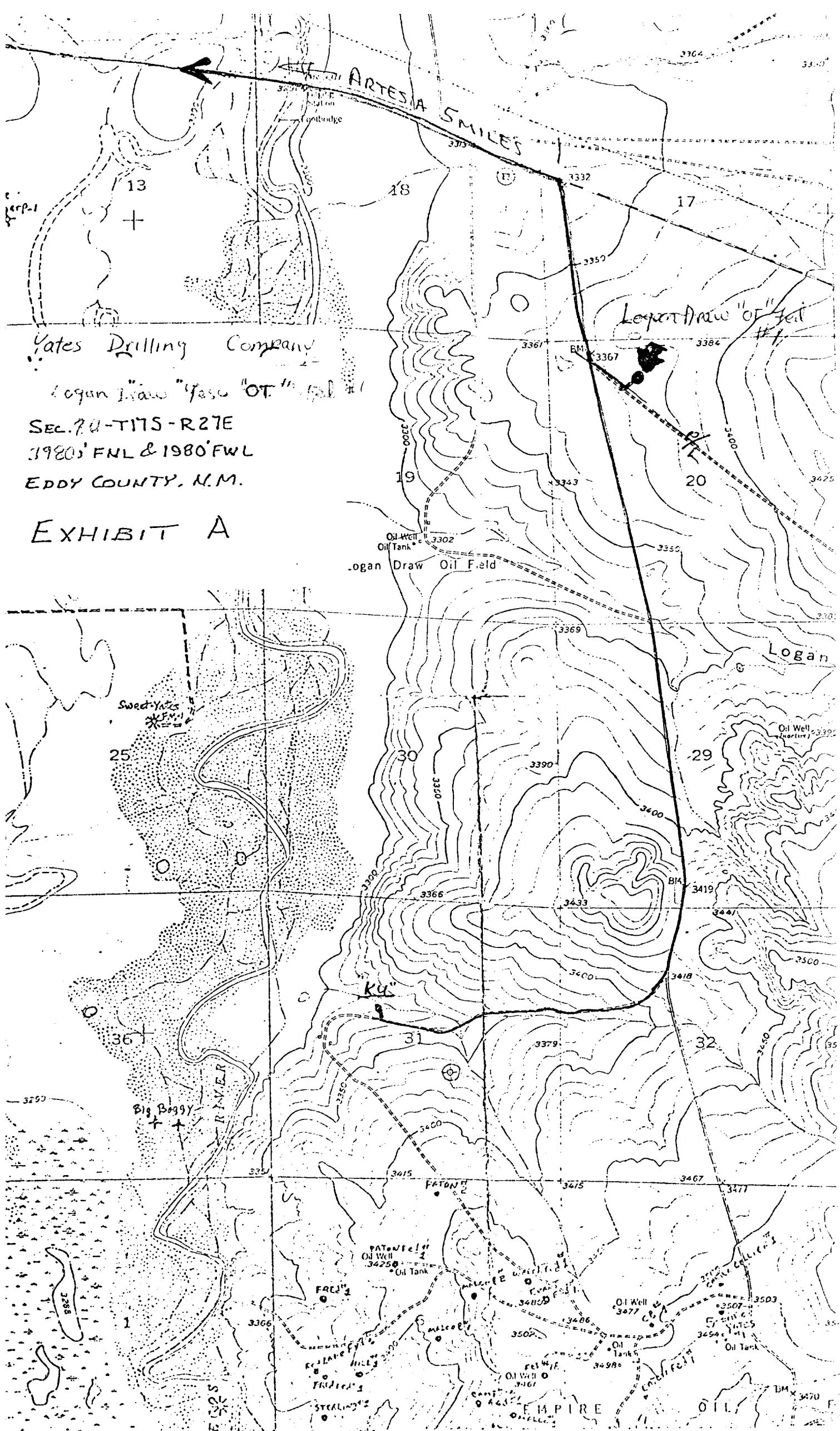
Gliserio "Rod" Rodriguez or Cy Cowan
Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico 88210

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 Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2-27-81
Date

Gliserio Rodriguez
Gliserio Rodriguez, Geographer



tating head if necessary
Fill up Line

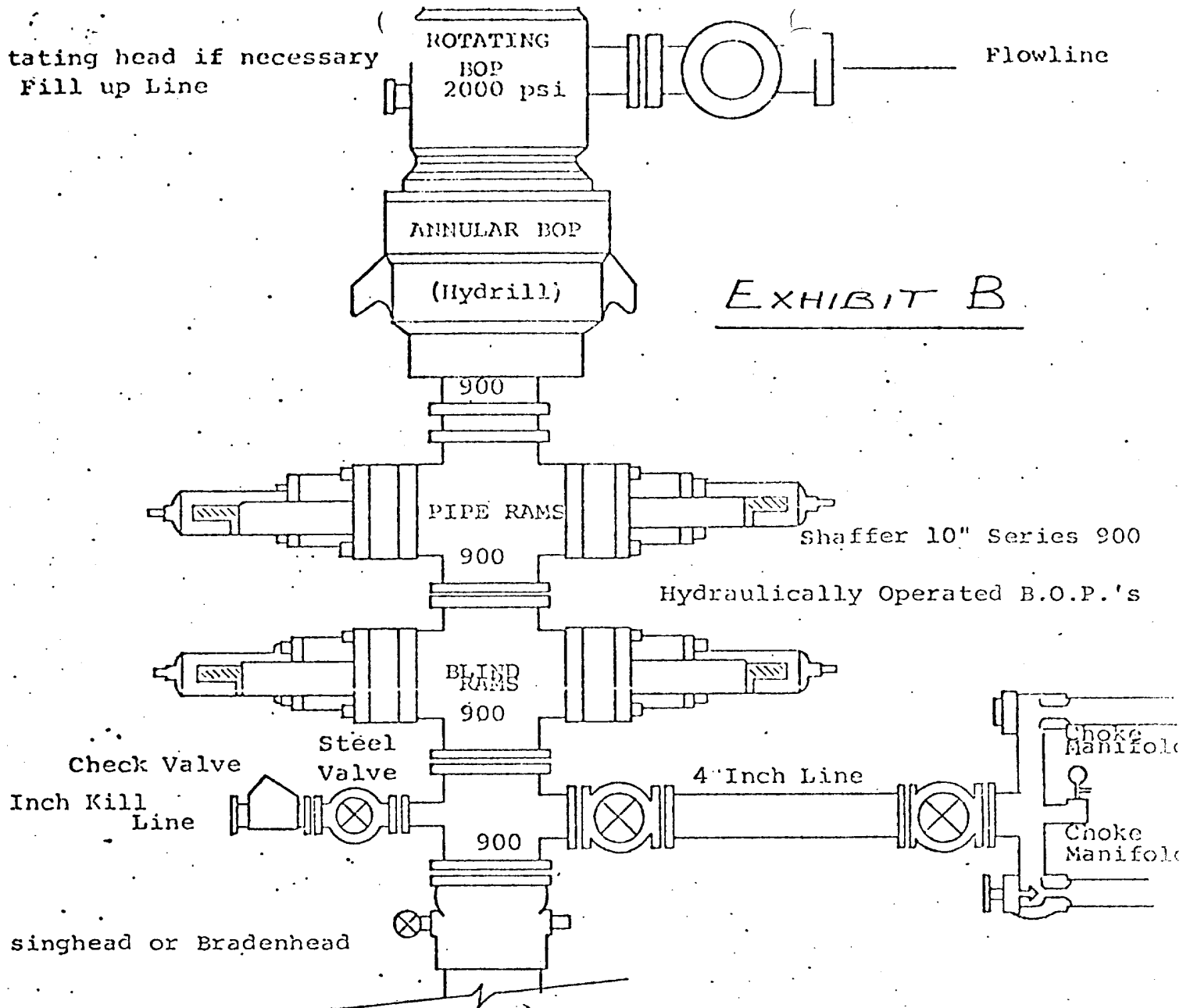


EXHIBIT B

THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- All preventers to be hydraulically operated with secondary manual control installed prior to drilling out from under casing.
- Choke outlet to be a minimum of 4" diameter.
- Kill line to be of all steel construction of 2" minimum diameter.
- All connections from operating manifolds to preventers to be all steel, hole or tube a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
- All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
- Inside blowout preventer to be available on rig floor.
- Operating controls located a safe distance from the rig floor.
- Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
- D. P. float must be installed and used below zone of first gas intrusion.