

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

RECEIVED

SUBMIT IN TRI-STATE*
(Other instruct on

AUG 24 1982

30-015-24241

Form approved.
Budget Bureau No. 42-R1425.

O. C. D.

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 S. 4th, Artesia, New Mexico 88210

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

At surface

2310' FNL and 990' FEL

At proposed prod. zone

same

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

Approximately 6 miles west of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

990'

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

appr. 1500'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3548' GL

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 1/2"	10 3/4"	30#	appr. 330'	200 sx circulated
9 1/2"	7"	23#	appr. 1100'	400 sx circulated
6 1/4"	4 1/2"	9.5#	TD	125 sx circulated

Proposed to drill a San Andres test. Approximately 330' of surface casing will be run to shut off gravel and caving. 7" intermediate casing will be run and set 100' below the Artesian Zone. If commercial production is encountered a string will be run, perforated and stimulated for production.

MUD PROGRAM: FW gel and LCM to 1100' (or dry drill), water to TD.

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

Revised J101
APF + 115 BACKS
8-26-82

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

Regulatory Coordinator DATE 8/5/82

(This space for signature or stamp use)

PERMIT NO.

(Aug. Sgu.) GEORGE L. STEVENS

APPROVAL DATE

APPROVED BY

AUG 18 1982

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

JAMES A. GILLHAM
DISTRICT SUPERVISOR

N 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.

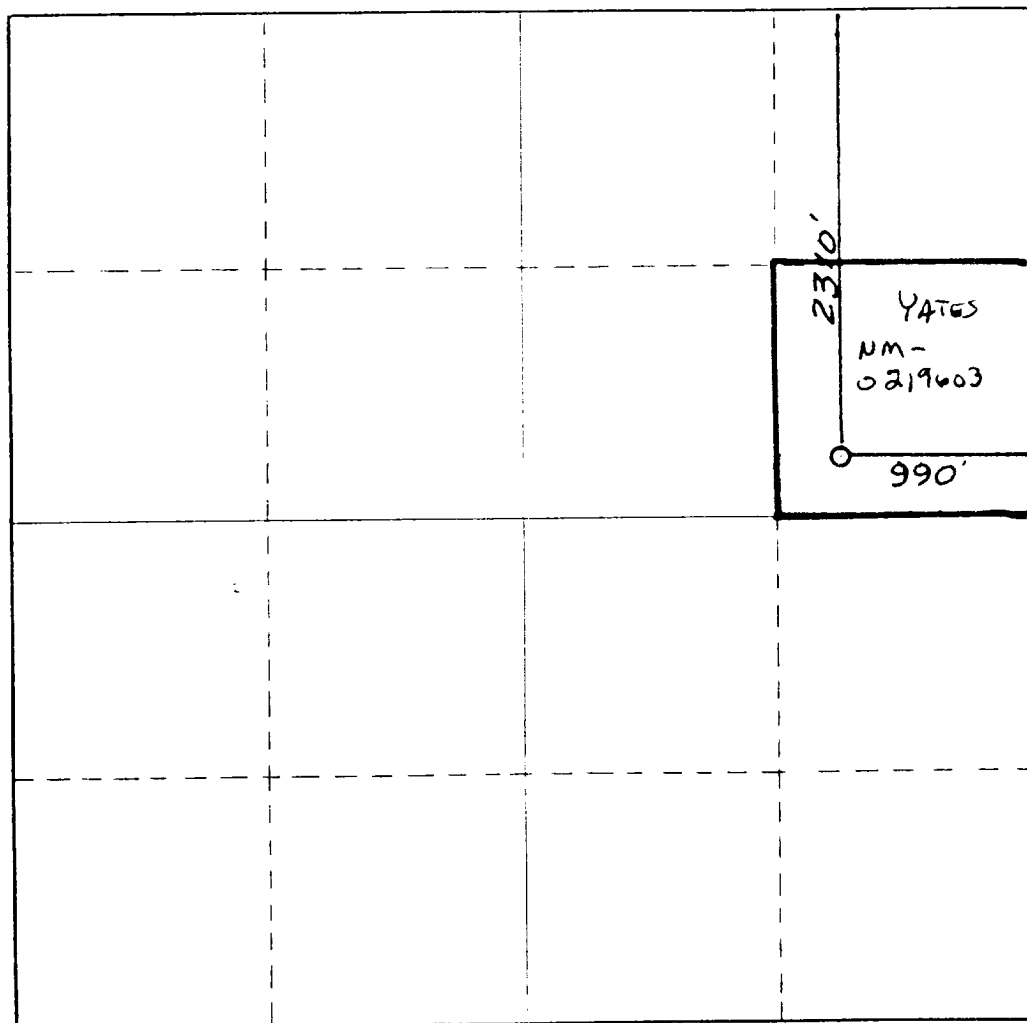
Operator YATES PETROLEUM CORPORATION			Lease Federal BZ		Well No. 21
Tract Letter H	Section 28	Township 17 South	Range 25 East	County Eddy	
Actual Portage Location of Well:					
2310	feet from the	North	line and	990	feet from the
					East
Ground Level Elev. 3548.	Producing Formation San Andres		Pool Eagle Creek (SA)	Estimated Acreage 40	

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.

Ken Beardemphl

Name

Ken Beardemphl

Position

Regulatory Coordinator

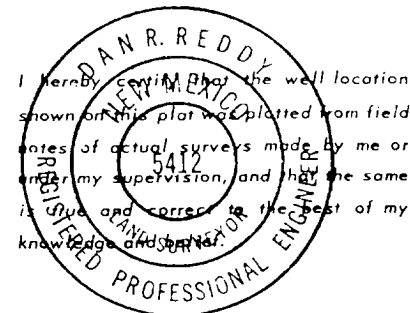
Company

Yates Petroleum Corp.

Date

8/6/82

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

August 5, 1982

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412

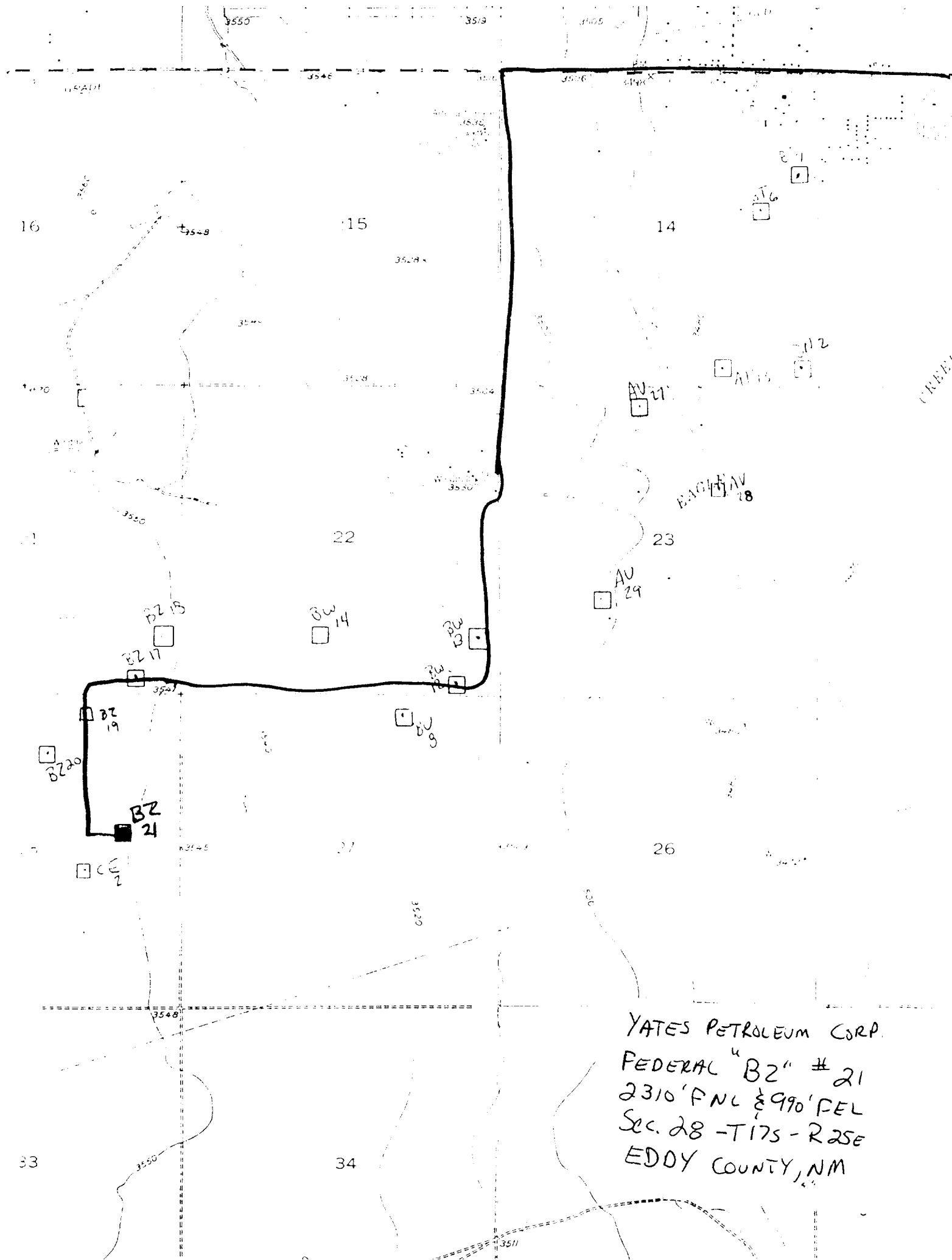
0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

YATES PETROLEUM CORPORATION
Federal "BZ" #21
2310' FNL and 990' FEL
Sec. 28-T17S-R25E

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

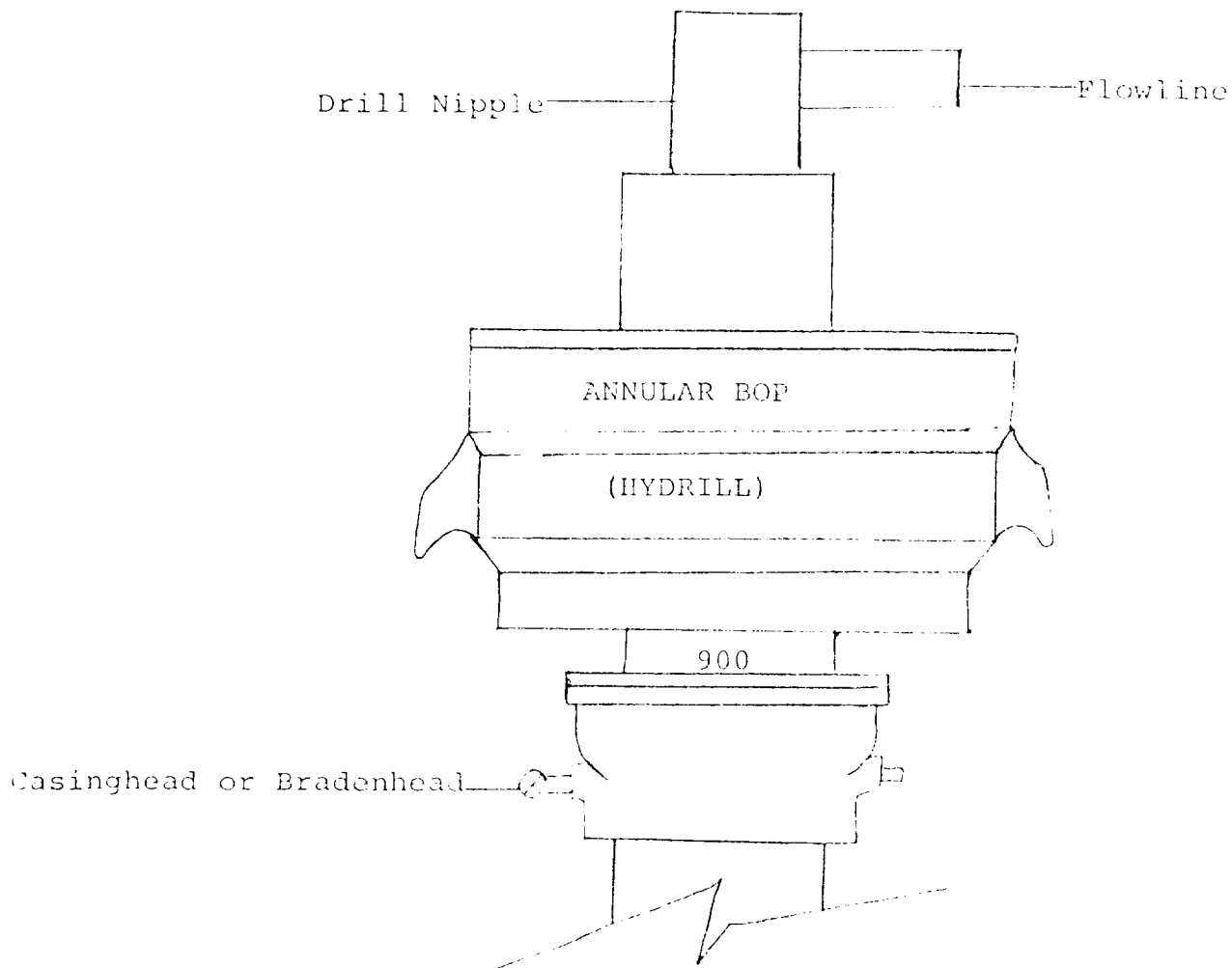
1. The geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:
TD - appr. 1500'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:
Water: 150' - 250' and 700' - 950'
Oil or Gas: San Andres 1300' - 1450'
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' samples from under surface
DST's: none
Coring: none
Logging: GR/Neutron
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



YATES PETROLEUM CORP.
FEDERAL "BZ" # 21
2310' FNL & 990' FEL
SEC. 28 - T17S - R25E
EDDY COUNTY, NM

Exhibit K



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. All connections from operating manifolds to preventers to be all steel. Hole or tube a minimum of one inch in diameter.
3. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the BOP's.
4. All connections to and from preventer to have a pressure rating equivalent to that of the BOP's.
5. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.

YATES PETROLEUM CORPORATION

