

UNITED STATES
DEPARTMENT OF THE INTERIORNM OIL & GAS COMMISSION
(Other instructions on reverse side)Deser DD
Artesia, NM 88210

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

RECEIVED

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, New Mexico 88210

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

At surface

1650' FNL & 990' FWL

At proposed prod. zone

SAME

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

Approx. 3 miles SW of Artesia, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

990'

16. NO. OF ACRES IN LEASE

18. DISTANCE FROM PROPOSED LOCATION*

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

19. PROPOSED DEPTH

1500'

17. NO. OF ACRES ASSIGNED

TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3540 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
14½"	10 3/4"	30#	approx 340'	200 sx CIRCULATE
9½"	7"	23#	approx. 1190'	400 sx CIRCULATE
6½"	4½"	9.5#	TD	125 sx

Proposed to drill a San Andres test with approximately 300' of surface casing to shut off gravel and caving. 7" intermediate casing will be run and set 100' below the Artesian zone and if commercial production is encountered a string will be run, perforated and stimulated for production.

Mud Program: FW gel and LCM to 1190' (or dry drill), water to TD.

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

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

Ken Beardemph

TITLE Regulatory Coordinator

DATE 11-8-82

(This space for Bureau or State office use)

(Orig. Sgd.) GEORGE H. STEWART

APPROVAL DATE

RECEIVED

NOV 10 1982

APPROVED BY

NOV 23 1982

TITLE

CONDITIONS OF APPROVAL, IF ANY:

JAMES A. GILHAM
DISTRICT SUPERVISOROIL & GAS
MINERALS MGMT. SERVICE
ROSWELL, NEW MEXICO

**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.

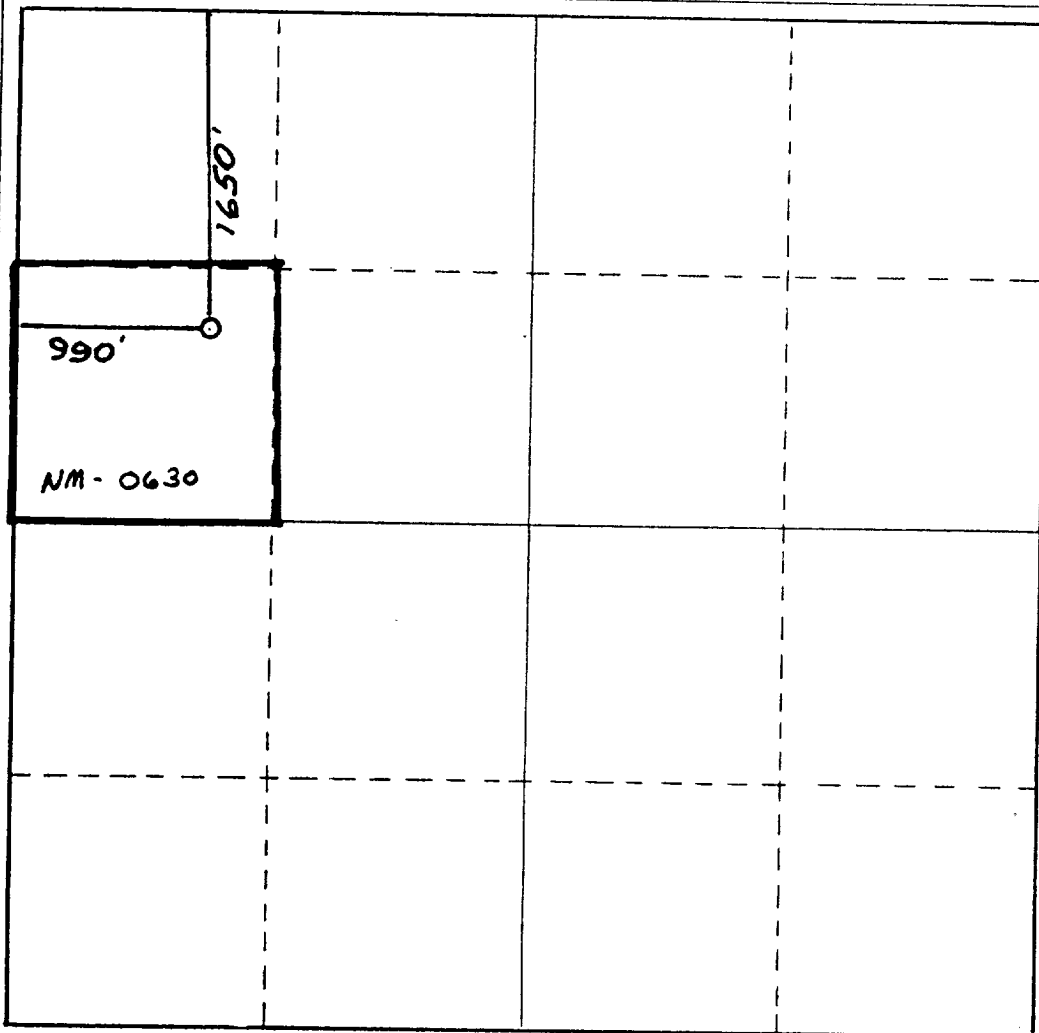
Operator YATES PETROLEUM CORPORATION			Lease Federal LDY		Well No. 5
Unit Letter E	Section 27	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 1650 feet from the North line and 990 feet from the West line					
Ground Level Elev. 3540.	Producing Formation San Andres	Pool Eagle 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.

Ken Beardsley

Name

Regulatory Coordinator

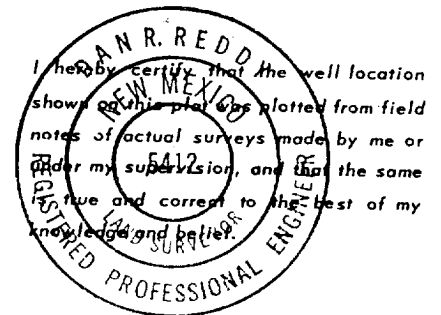
Position

Yates Petroleum Corp.

Company

November 8, 1982

Date



Date Surveyed

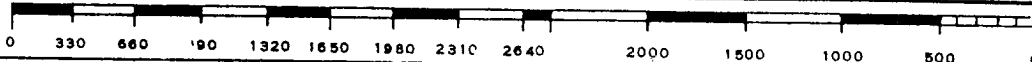
November 7, 1982

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412



YATES PETROLEUM CORPORATION
Federal LDY #5
1650' FNL & 990' FWL
Sec. 27-T17S-25E

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 1500'

San Andres 780

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: approximately 150-250' 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

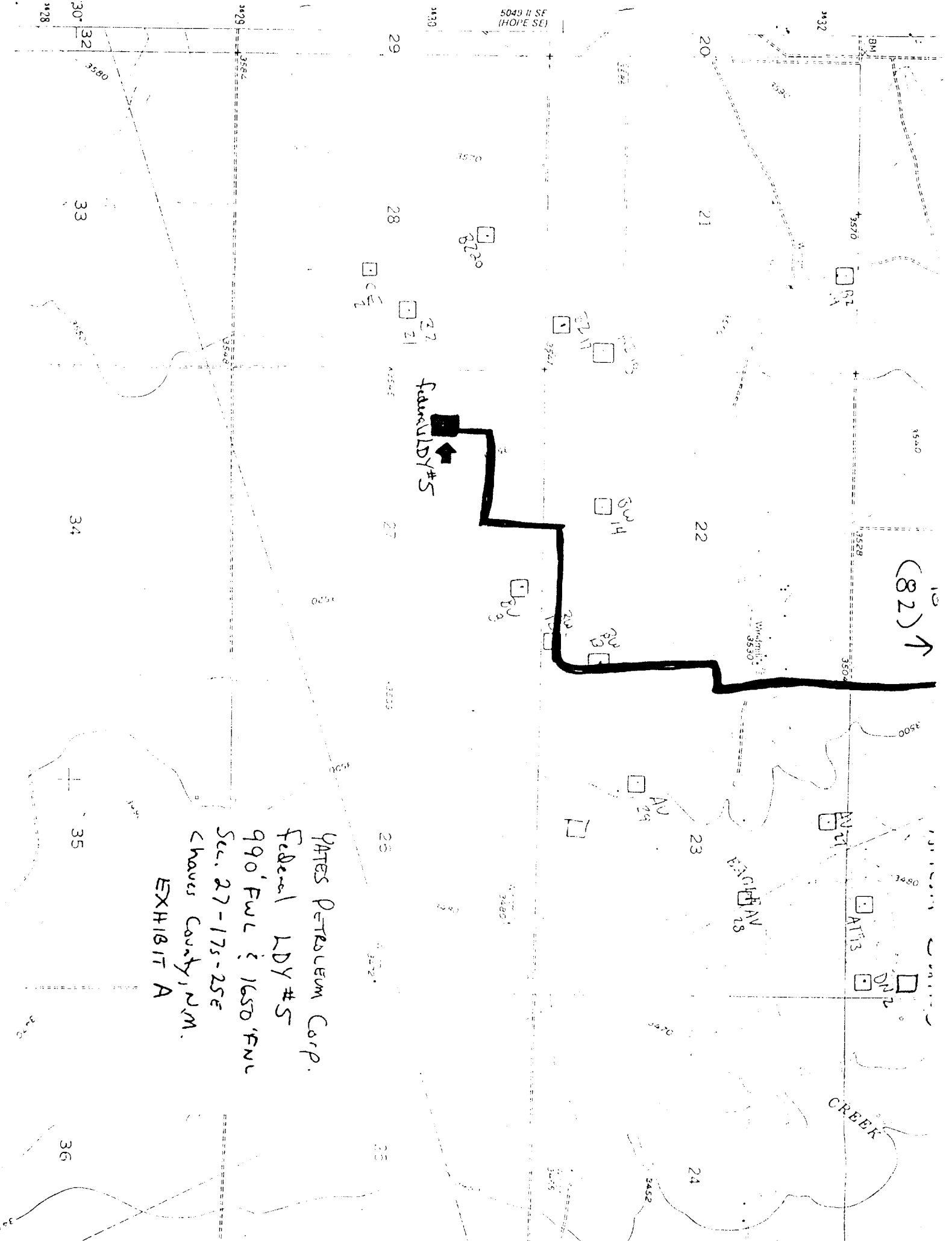
DST's: none

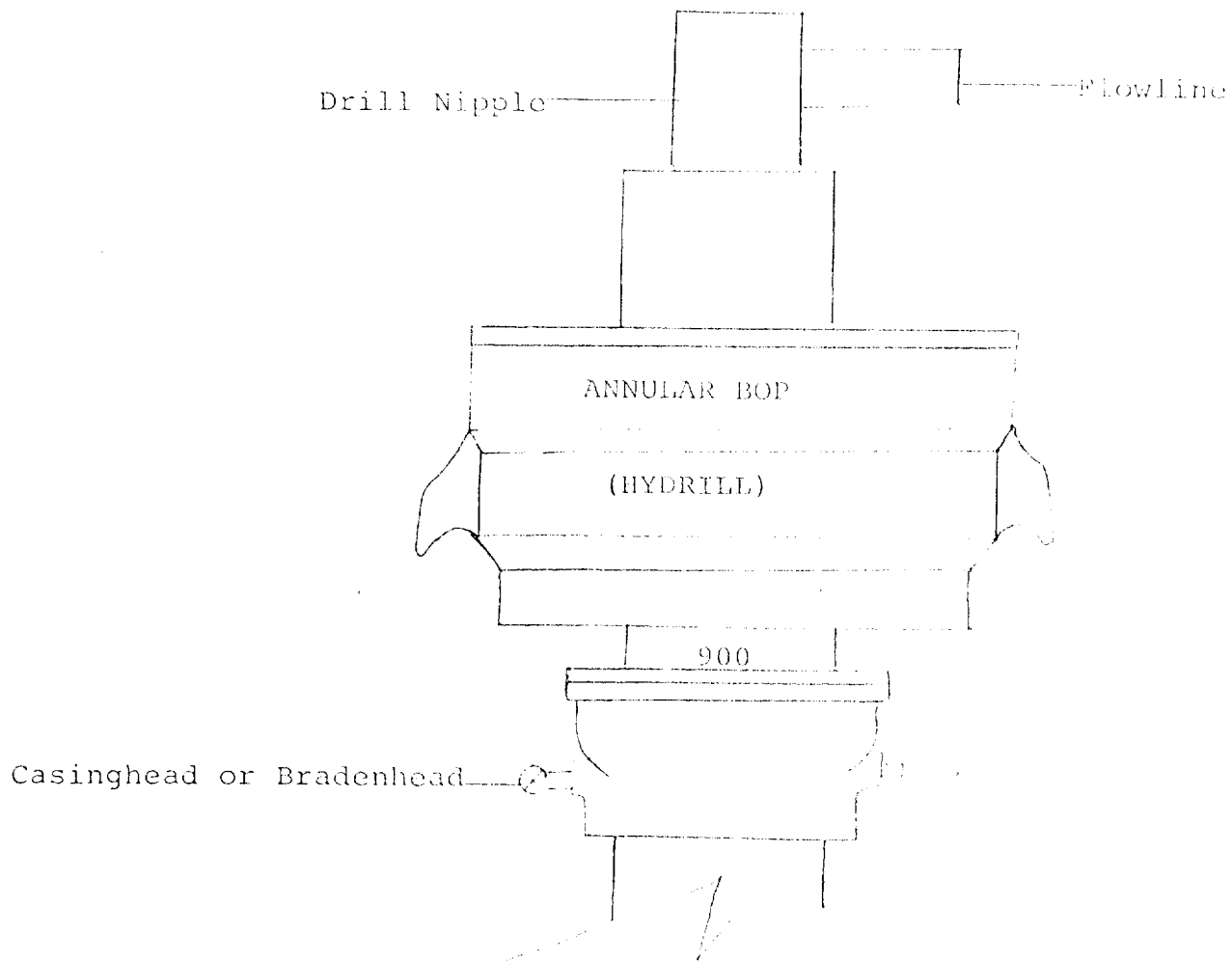
Coring: none

Logging: 6R-Nuetron

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

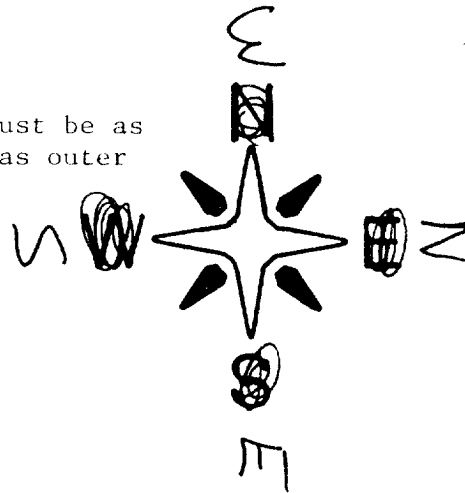




THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

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.

Exhibit C





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC TREAS

November 4, 1982

Minerals Management Service
Federal Building
Roswell, New Mexico 88201

ATTN: Mr. George Stewart

Re: Federal "LDY" #5

Dear Mr. Stewart:

Yates Petroleum Corporation has submitted an application to drill a well on surface owned by J. W. Gissler, P. O. Box 987, Artesia, New Mexico 88210. This well is located in Section 27-T17S-R25E, 1650' FNL and 990' FWL, Eddy County, New Mexico.

In an on-site visit with Mr. Gissler, it was agreed that we would compensate him monetarily for the surface damages incurred. After drilling has been completed, the pit area will be leveled after it is dry and along with the pad will be left to reseed naturally.

Sincerely,

Ken Beardemphl
Regulatory Coordinator
YATES PETROLEUM CORPORATION

KB/cvg