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NEW MEXICO OIL CONSERVATION COMMISSION

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Form C-101
Revised 1-1-85

30-015-24394

JAN 18 1983

O. C. D.

ARTESIA, OFFICE

5A. Indicate Type of Lease
STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		8. Firm or Lease Name Eagle Creek "BL"	
c. Depth of Well DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		9. Well No. 4	
2. Name of Operator Yates Petroleum Corporation ✓		10. Field and Pool, or Wellbore Eagle Creek/SA	
3. Address of Operator 207 S. 4th, Artesia, New Mexico 88210		11. County Eddy	
4. Location of Well UNIT LETTER N LOCATED 1650' FEET FROM THE West LINE AND 330' FEET FROM THE South LINE OF SEC. 23 TWP. 17S RGE. 25E NMPM		12. Proposed Depth 1500'	
13. Elevation (Show whether DF, RL, etc.) 3498.0' GL		14. Formation San Andres	
21A. Kind & Status Plug. Bond Blanket		15. Rotary or C.T. Rotary	
21B. Drilling Contractor L&M #2		22. Approx. Date Work will start ASAP	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 1/2"	10 3/4"	30#	appr. 350'	200 sx	circulated
9 1/2"	7"	23#	appr. 1150'	700 sx	circulated
6 1/4"	4 1/2"	9.5#	TD	150 sx	circulated

Proposed to drill a San Andres test with approximately 350' 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/LCM to 1150' (or dry drill), water to TD.

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

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 7/20/83
UNLESS DRILLING UNDERWAY

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 Kew Beardsley Title Regulatory Agent Date 1/18/83

(This space for State Use)

APPROVED BY Mike Williams TITLE OIL AND GAS INSPECTOR DATE JAN 21 1983

CONDITIONS OF APPROVAL, IF ANY:

time to witness coring
the casing

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.

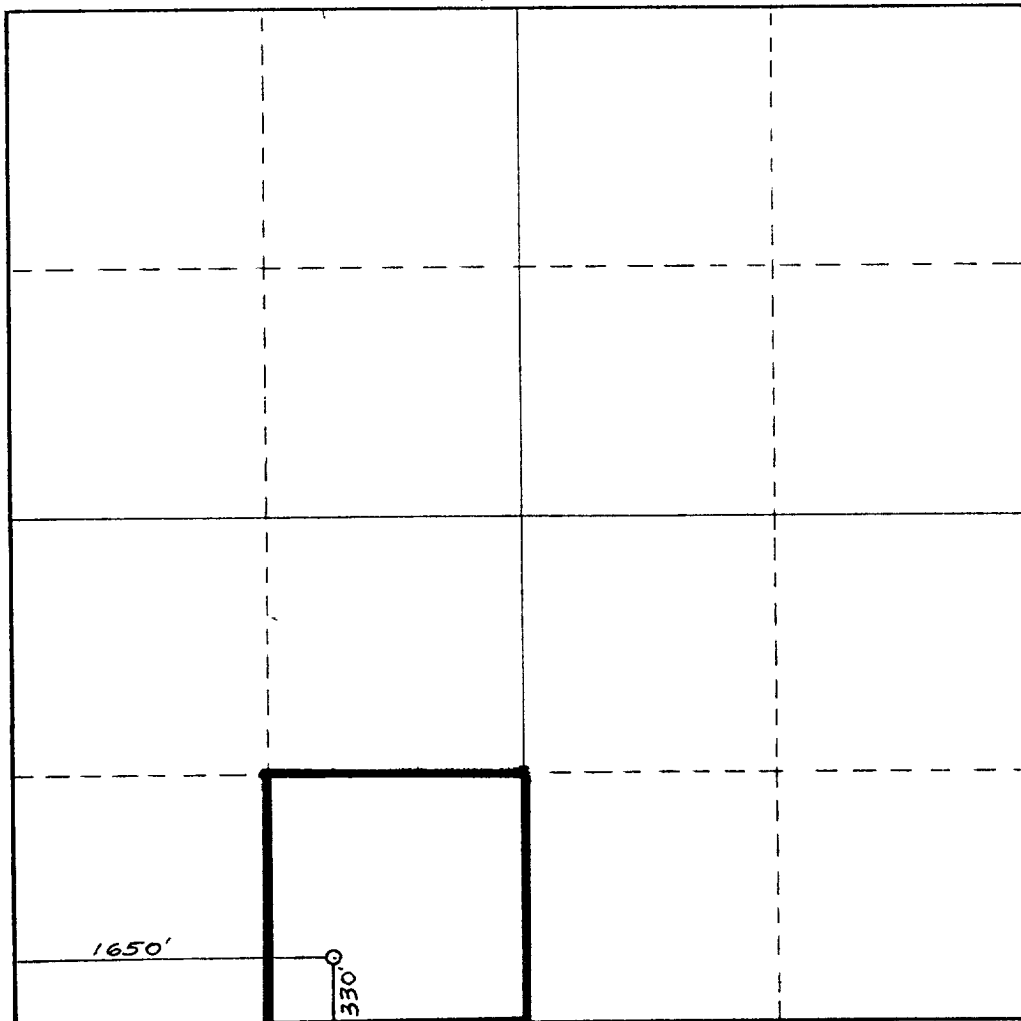
Operator YATES PETROLEUM CORPORATION			Lease Eagle Creek BL		Well No. 4
Unit Letter N	Section 23	Township 17 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 1650 feet from the West line and 330 feet from the South line					
Ground Level Elev. 3498.	Producing Formation San Andres		Pool Eagle Creek (SA)	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.

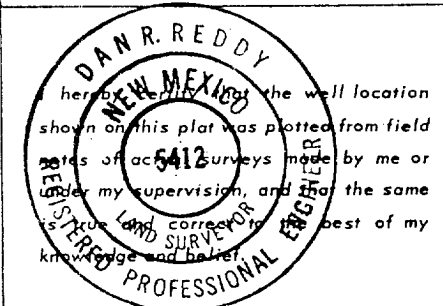
Ken Beardemphl

Name
Ken Beardemphl

Position
Regulatory Agent

Company
Yates Petroleum Corp.

Date
1/18/83



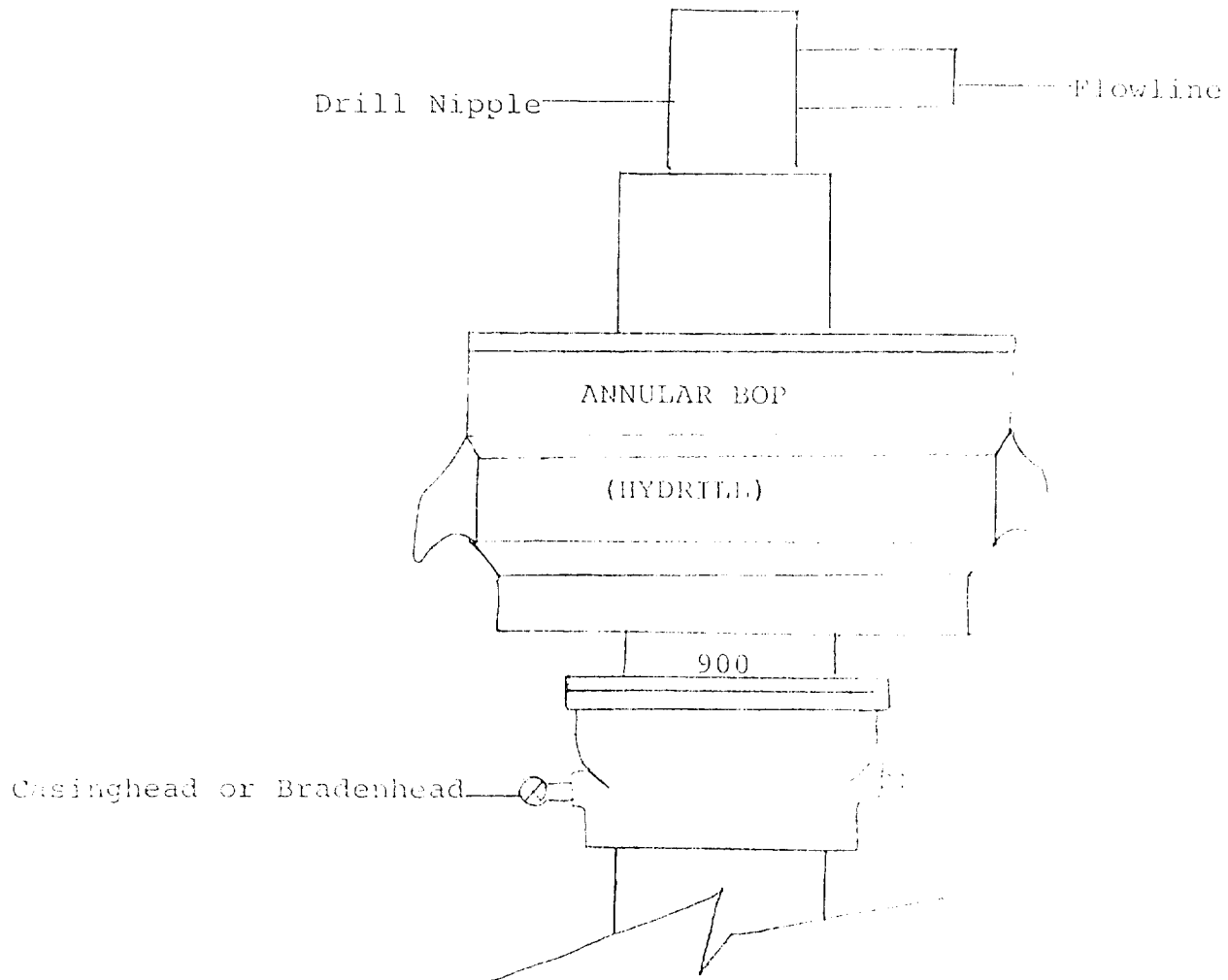
Date Surveyed
January 15, 1983

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&LS #5412

Exhibit B



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.