

UNITED STATES
DEPARTMENT OF THE INTERIOR

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 ☐

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

1650' FNL and 2310' FEL

At proposed prod. zone

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)

1650'

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.)

3558' 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. 320' | 200 sx circulated |
| 9 1/2" | 7" | 23# | appr. 1150' | 400 sx circulated |
| 6 1/4" | 4 1/2" | 9.5# | TD | 125 sx circulated |

Proposed to drill a San Andres test. Approximately 320' 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.

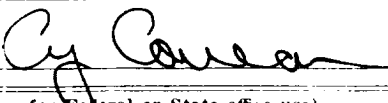
MUD PROGRAM: FW gel/LCM to 1150' (or dry drill), water to TD.

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



TITLE Regulatory Agent


DATE 9/13/83

(This space for Federal or State office use)

PERMIT NO

APPROVAL DATE

APPROVED BY



TITLE

DATE 9/16/83

CONDITIONS OF APPROVAL, IF ANY

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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. 26 |
| Unit Letter G | Section 28 | Township 17 South | Range 25 East | County Eddy | |

Actual Footage Location of Well:

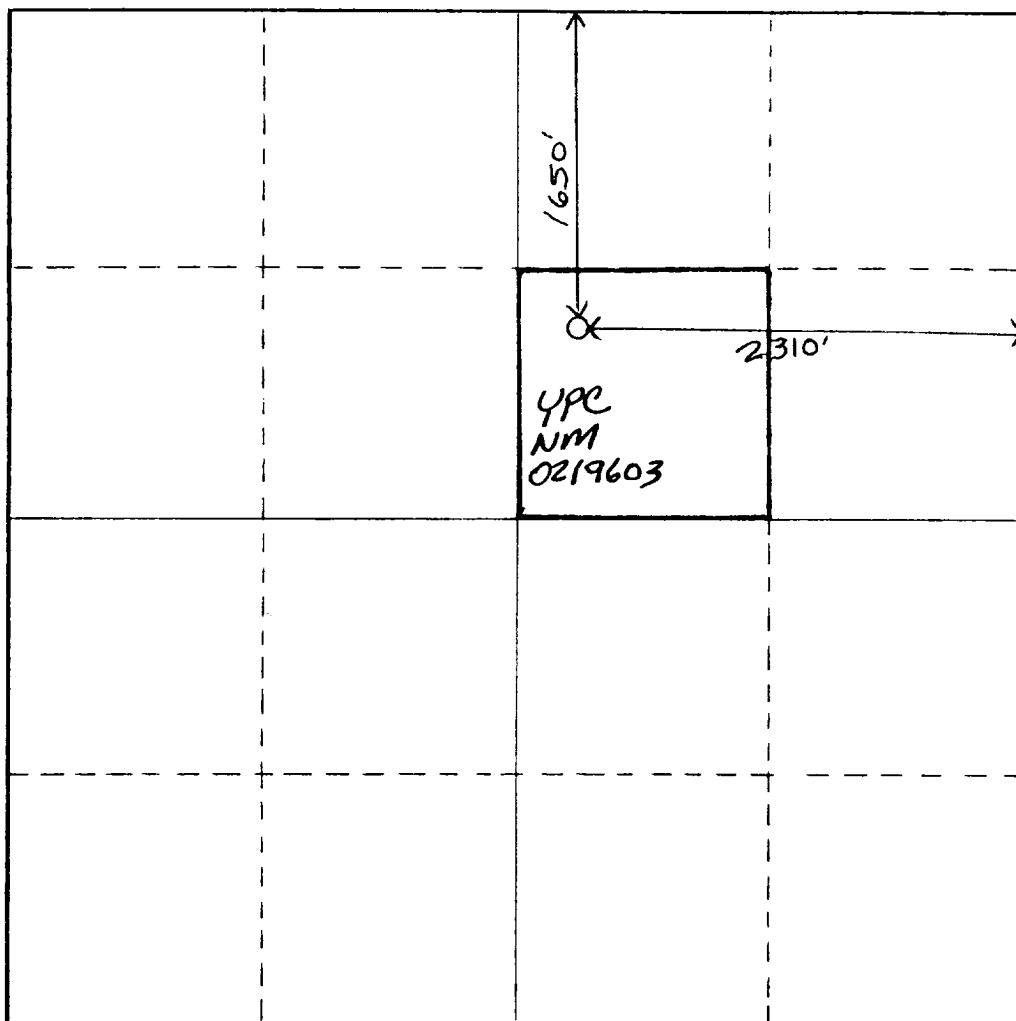
| | | | |
|---------------------------------------|--|--------------------------------|---------------------------------------|
| 1650 feet from the North line and | | 2310 feet from the East line | |
| Ground Level Elev. 3558' GL | Producing Formation SAN Andres | Pool Eagle Creek S/A | Dedicated Acreage: 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 communization, 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 communization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



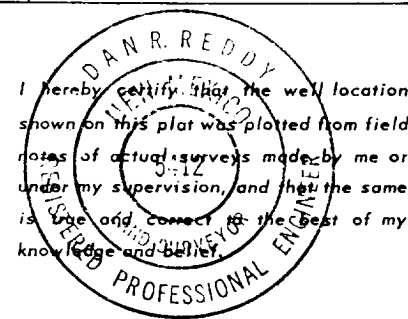
CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Cy Cowan

Name
Cy Cowan
Position
Regulatory Agent
Company
Yates Petroleum Corp.

Date
9/13/83



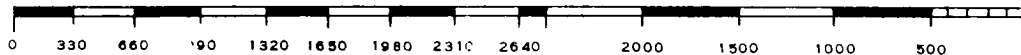
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
September 10, 1983

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&LS #5412



YATES PETROLEUM CORPORATION
Federal "BZ" #26
1650' FNL and 2310' 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
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: 150-350' 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.
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/Nuetron
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

ARTESIA →

16

15

14

FEDERAL "CB"

#3

21

22

23

BZ 20
BZ 19
BZ 24
BZ 26

28

CE 2

27
21

3545

27

FED LDY #5

FED LDY #6

3509

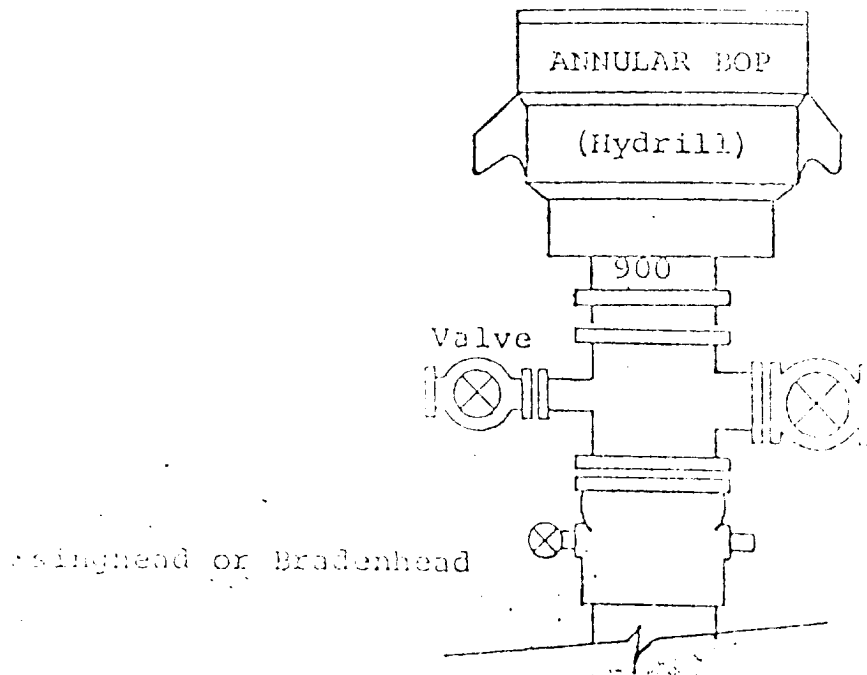
26

33

34

YATES Petroleum Corp
FEDERAL 'BZ' FED 26
1650' FNL + 2310 FEL
SCC 28 T17S R25E
EDDY County
EXhibit A N.M.

EXHIBIT B
BOP DIAGRAM
RATED 3000[#]



YATES PETROLEUM CORP.
Exhibit C

