

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☒ RECEIVED BY 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 88200

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

At surface

1718' FNL and 2259' FWL

At proposed prod. zone

same

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

Approximately 6 miles west of Artesia, New Mexico.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

1718'

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

1170'

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

3566' GL

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"	20#	appr. 1100'	400 sx circulated
6 1/4"	4 1/2"	10.5#	TD	125 sx circulated

We propose to drill and test the San Andres and intermediate formations. Approximately 320' fo surface casing. 7" intermediate casing will be run to 100' below the Artesian Zone. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

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

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

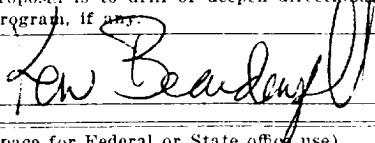
GAS NOT DEDICATED.

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 directly, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

ROSWELL, NEW MEXICO

SIGNED



TITLE Regulatory Agent

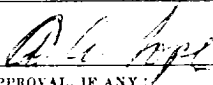
DATE 10/3/83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY



TITLE

DATE

10/12/87

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

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.

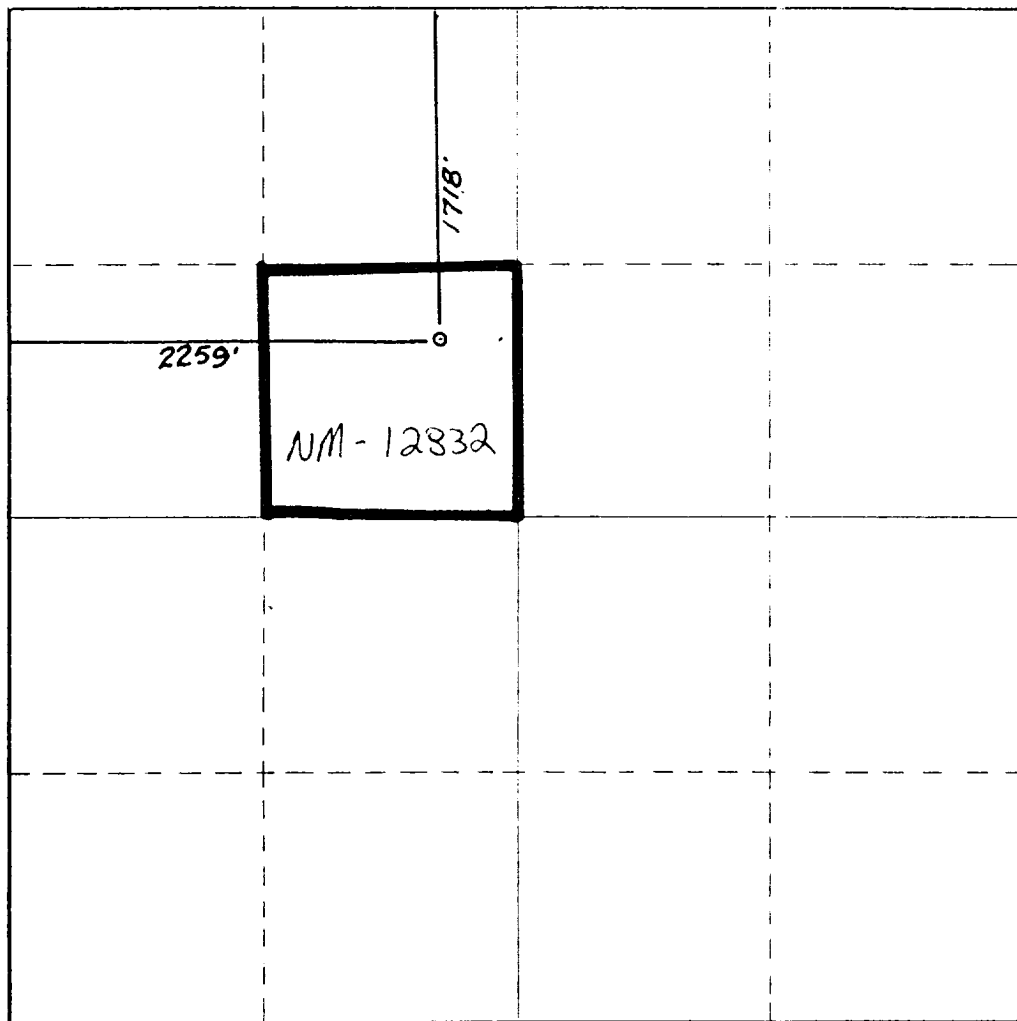
Operator YATES PETROLEUM CORPORATION			Lease Federal CD		Well No. 5
Unit Letter F	Section 28	Township 17 South	Range 25 South	County Eddy	
Actual Footage Location of Well: 1718 feet from the North line and 2259 feet from the West line					
Ground Level Elev. 3566.	Producing Formation San Andres		Pool Sage Creek 15A		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

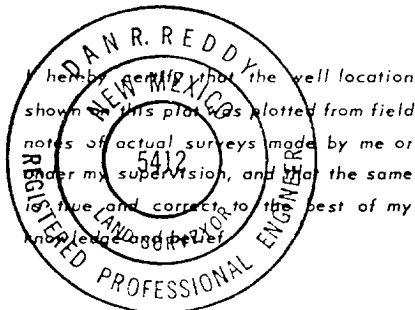
Regulatory Agent

Company

Yates Petroleum Corp.

Date

10/3/83



Date Surveyed

October 1, 1983

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412

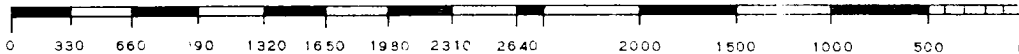
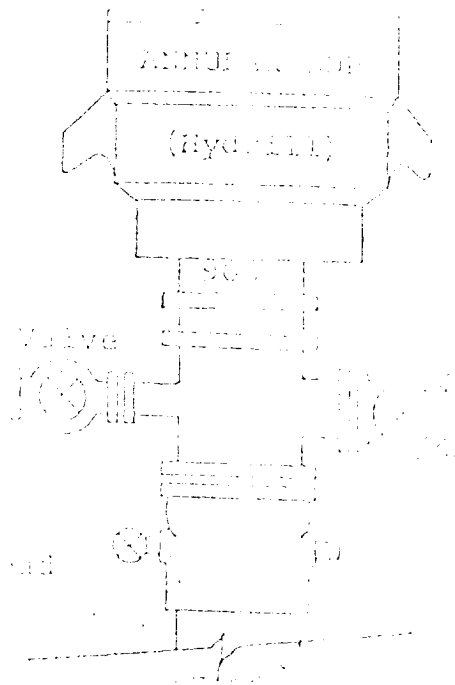


EXHIBIT B

BDP DIAGRAM

RATED 3000^{PSI}



YATES PETROLEUM CORPORATION
Federal "CD" #5
1718 FNL and 2259' FWL
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. 1470'
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 1300-1400'
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.

FEDERAL "CD"

3543

#3

21

22

23

CD #1

B220

CD #5

B226

CD #2

CD #2

27

28

CC

YPC
Federal "CD" #5
1718 FWL & 2259 FWL
Sec. 28-T175-R25E
EDDY COUNTY, NM

EXHIBIT A

YATES PETROLEUM CORP.

Exhibit C

