

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		RECEIVED BY NOV 10 1983 O. C. D. ARTESIA, OFFICE
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		
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 420' FSL and 875' FWL At proposed prod. zone same		5. LEASE DESIGNATION AND SERIAL NO. NM-28009
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5 miles north of Loco Hills, New Mexico.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		7. UNIT AGREEMENT NAME
16. NO. OF ACRES IN LEASE 640		8. FARM OR LEASE NAME Wilbo "QA" Federal
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		9. WELL NO. 2
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		10. FIELD AND POOL, OR WILDCAT Square Lake Gray/SA
19. PROPOSED DEPTH appr. 3150'		11. SEC. T., R., M., OR BLK. AND SURVEY OR AREA Sec. 29-T16S-R30E
20. ROTARY OR CABLE TOOLS Rotary		12. COUNTY OR PARISH Eddy
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3716.0' GL		13. STATE NM
22. APPROX. DATE WORK WILL START* ASAP		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
16"	9 5/8"	36# K-55	500'	500 sx CIRCULATE
7 7/8"	4 1/2"	9.5# J-55	TD	400 sx

We propose to drill and test the San Andres and intermediate formations, casing will be set per program above. Will perforate and stimulate as needed for production.

MUD PROGRAM: FW gel to 1400', FW to TD.

BOP PROGRAM: BOP will be installed in 4 1/2" casing and tested.

Revised 2/83
10-1-83 Gook
11-8-83

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 Gilson Rodriguez TITLE Regulatory Agent DATE 10/24/83
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
ORIG. SIGNED JAMES A. GILLHAM ASSISTANT District Manager
APPROVED BY _____ TITLE _____ DATE 11-8-83
CONDITIONS OF APPROVAL, IF ANY: _____

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

**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.

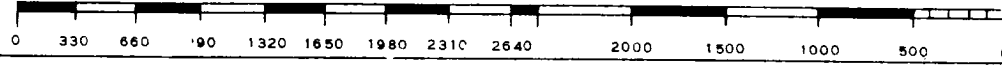
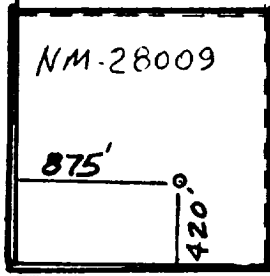
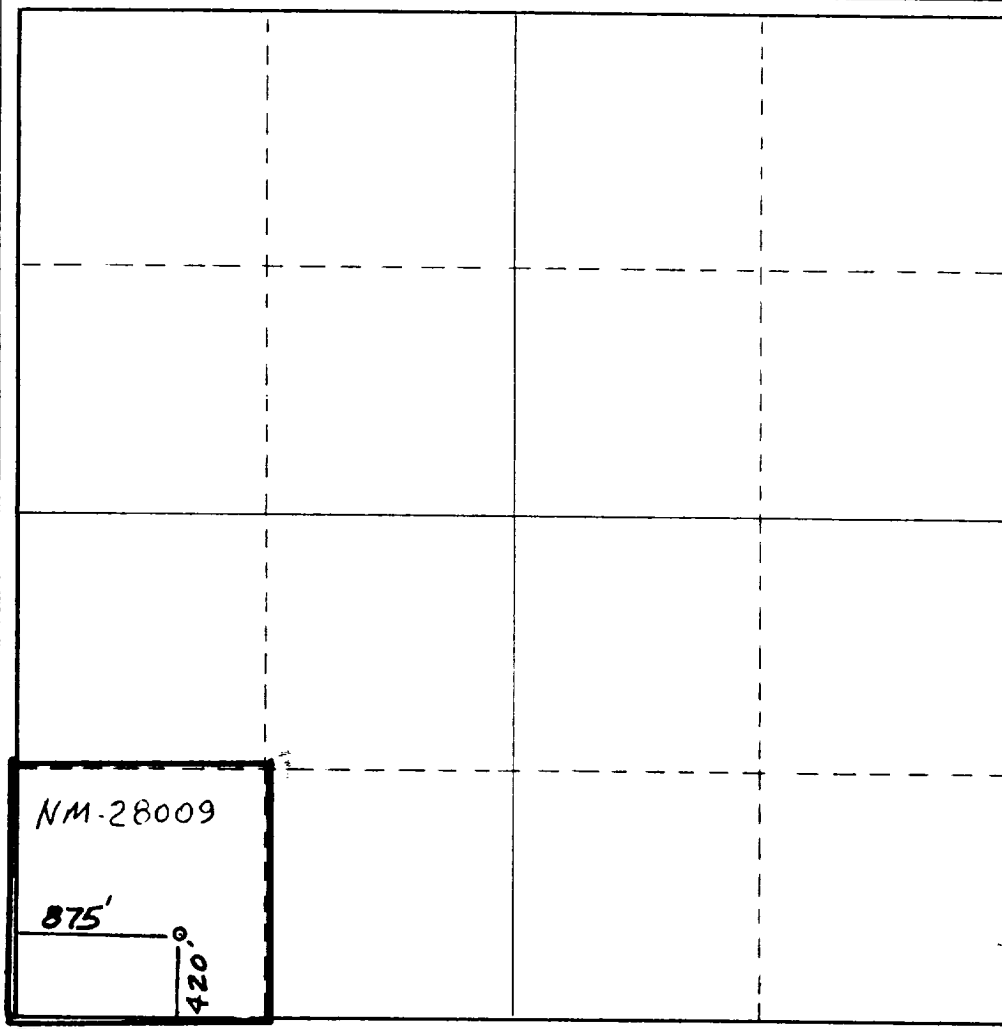
Operator YATES PETROLEUM CORPORATION			Lease Wilbo QA Federal		Well No. 2
Unit Letter M	Section 29	Township 16 South	Range 30 East	County Eddy	
Actual Footage Location of Well: 420 feet from the South line and 875 feet from the West line					
Ground Level Elev. 3716.	Producing Formation San Andres		Pool Square Lake Gray/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

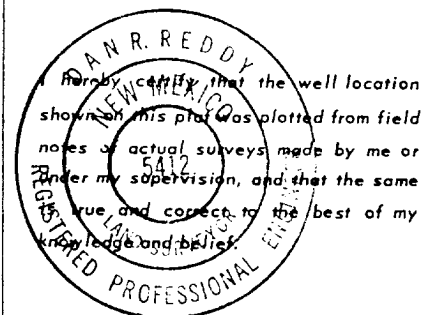
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Gliserio Rodriguez
Name
Gliserio Rodriguez

Position
Regulatory Agent

Company
Yates Petroleum Corp.

Date
10/31/83

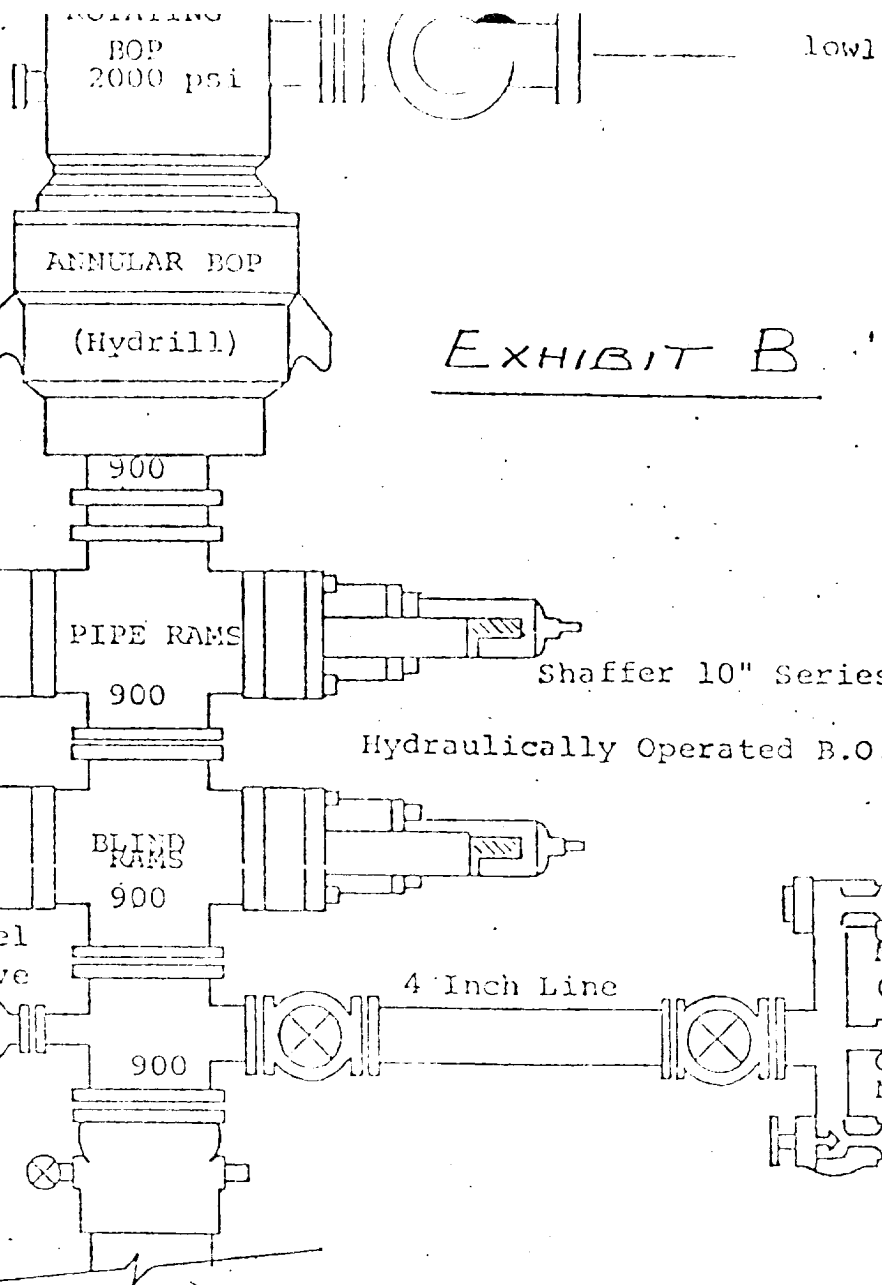


Date Surveyed
October 29, 1983

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
NM PE&LS #5412

rotating head if necessary:
1" Fill up Line



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel pipe or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

YATES PETROLEUM CORPORATION
Wilbo "QA" Federal #2
420' FSL and 875' FWL
Sec. 29-T16S-R30E
Eddy County, New Mexico

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 sandy alluvium.
2. The estimated tops of geologic markers are as follows:

Yates	1220'
Seven Rivers	1500'
Queen	2040'
San Andres	2850'
TD	3150'

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

Water: 120'

Oil or Gas: 2800'

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: Under surface casing.
DST's: none
Coring: none
Logging: GRN surface to TD.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

EXHIBIT A

YATES PETROLEUM CORP.

WILBO "QA" FED #2

Sec 29-16S-30E

440' FSL 875' FWL

EDDY CITY, NM.

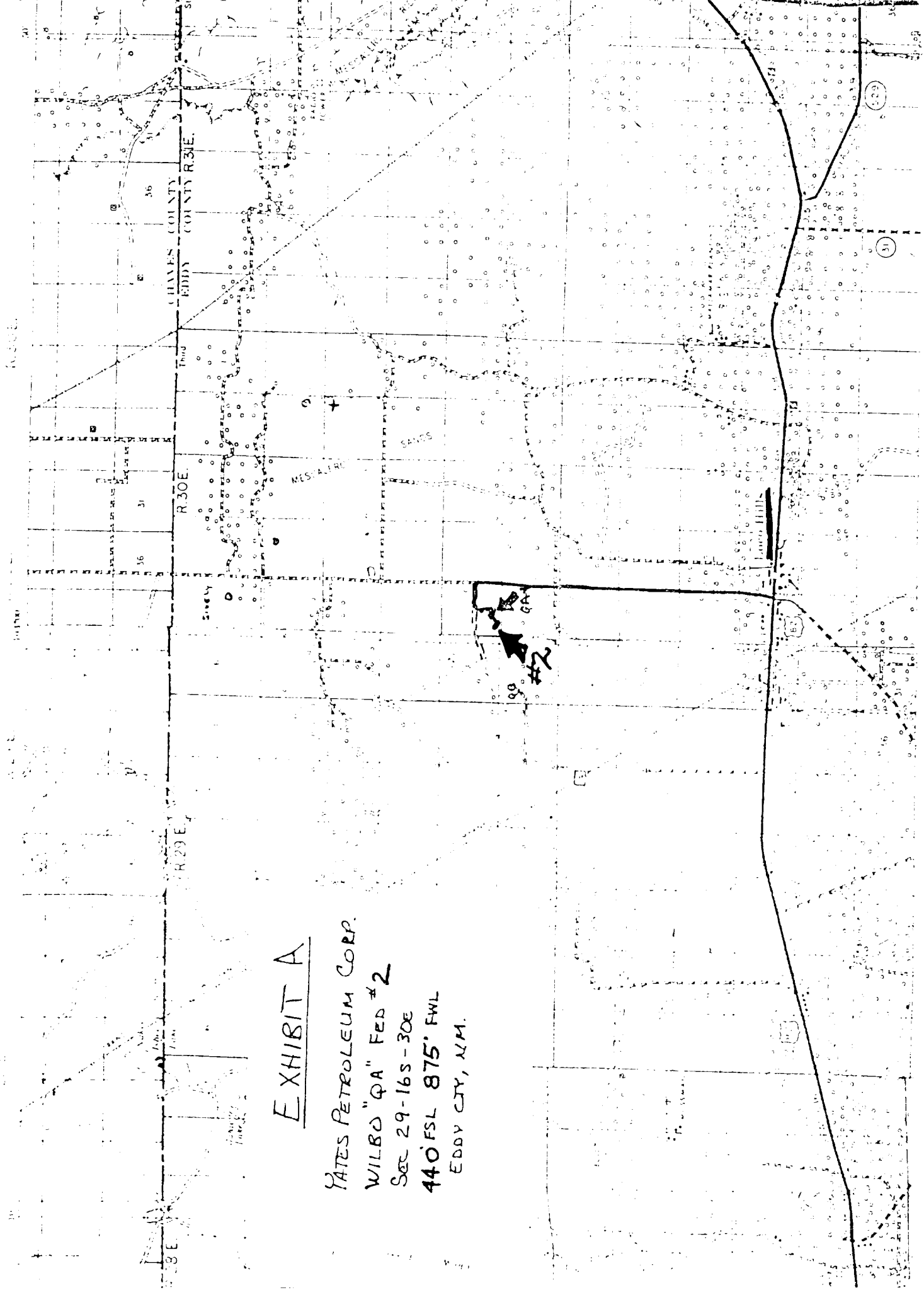


EXHIBIT C

YATES PETROLEUM CORPORATION

