

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTN.M. Oil Co. Division  
SUBMIT IF LOCATE  
(Other Instructions on Reverse)FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

25575

## 3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

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

At surface

660' FSL and 1980' FWL Unit N

At proposed prod. zone

Same

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

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

660'

## 16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

## 18. DISTANCE FROM PROPOSED LOCATION\*

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

## 19. PROPOSED DEPTH

8950'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

3439' GR

## 22. APPROX. DATE WORK WILL START\*

ASAP

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24# J-55	1350'	500 sx Circulated
7 7/8"	4 1/2"	11.6# S-95	8950'	600 sx TOC 5500'

WITNESS

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 1350' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: 0-1350' FW; 1350'-4700' FW; 4700'-8000' Cut Brine; 8000'-TD Salt Gel/Starch.

BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing and tested daily for operational.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL SPECIFICATIONS  
ATTACHEDRECEIVED  
OCD - ARTESIA  
SEP 1 1999Post ID-1  
9-24-99  
API & LCC

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 prevention program, if any.

## 24.

SIGNED

Ken Beardsley

TITLE

Landman

DATE

August 17, 1999

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

Acting

Assistant Field Office Manager.  
Lands and Minerals

APPROVED BY

J. L. HAY

TITLE

DATE

9-14-99

\*See Instructions On Reverse Side

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Depart

Revised February 10, 1994  
Instruction on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Crow Flats, Morrow, NW
Property Code	Property Name LUCKY STRIKE "AST" FEDERAL COM.	Well Number 1
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3439

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	16S	27E		660	SOUTH	1980	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature  
Ken Beardemphl  
Printed Name  
Ken Beardemphl  
Title  
Landman  
Date  
August, 17, 1999

SURVEYOR CERTIFICATION

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 belief.

07/28/1999

Date Surveyed  
Signature & Seal of  
Professional Surveyor  
Herschell Jones  
Certificate No. Herschell Jones RLS 3640  
LUCKY STRIKE  
GENERAL SURVEYING COMPANY  
DISK 14

**YATES PETROLEUM CORPORATION**  
**Lucky Strike "AST" Federal Com. #1**  
 660' FSL and 1980' FWL  
 Sec.28,-T16S-R27E  
 Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

San Andres	1305'
Glorietta	2750'
Yeso	2904'
Abo	4776'
Wolfcamp	5973'
Canyon Lime	7652'
Strawn Lime	8061'
Atoka	8404'
Morrow Clastics	8587'
Lower Morrow	8638'
Chester Lime	8812'
TD	8950'

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

Water: 250'-350'  
 Oil or Gas: All potential zones.

3. Pressure Control Equipment: BOPE will be installed on the 8 5/8" casing and rated for 3000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

**Auxiliary Equipment:**

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>
12 1/4"	8 5/8"	24.0#	J-55	ST&C	0-1350'
7 7/8"	4 1/2"	11.6#	S-95	LT&C	0-8950'

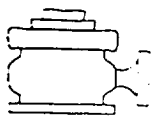
Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.8

- B. CEMENTING PROGRAM:

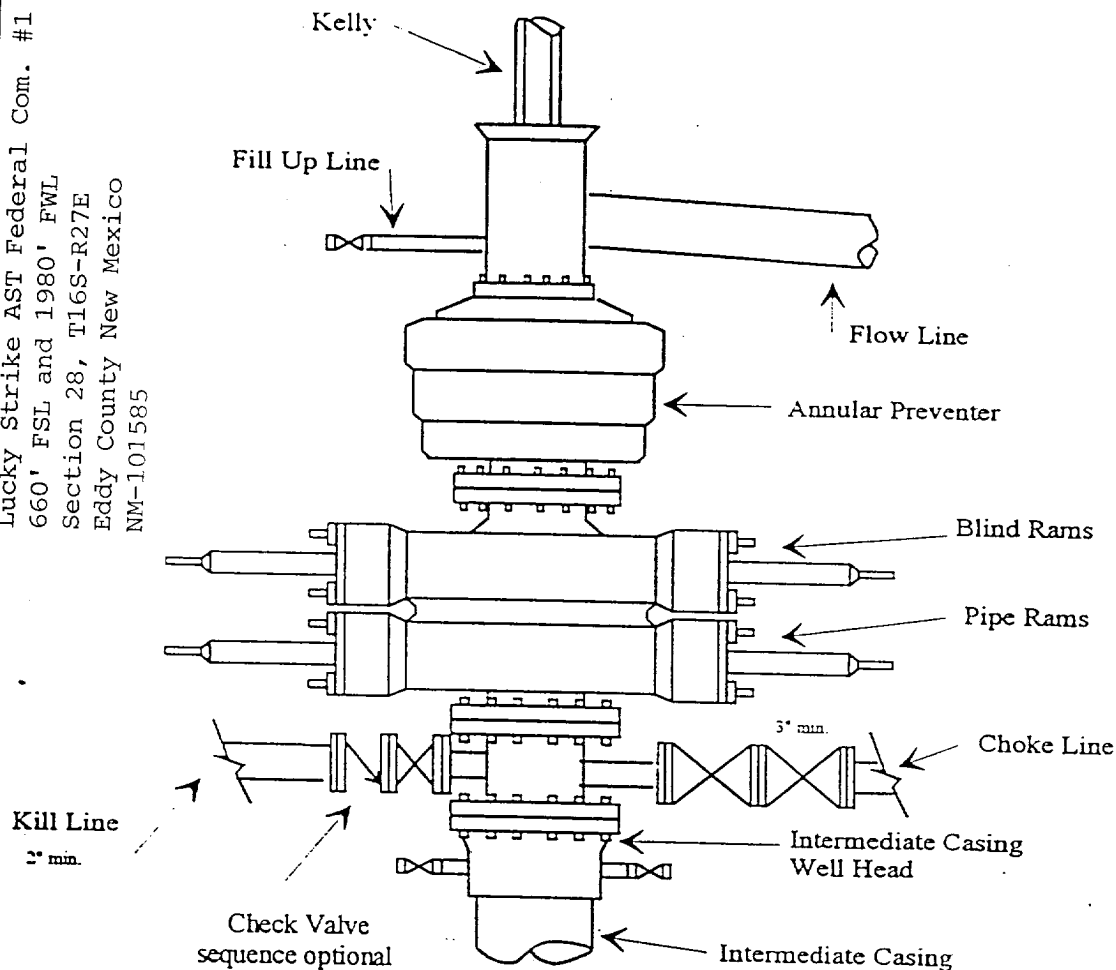
Surface casing: 300 sx 35:65 POC 'C' (YLD 1.9 WT 12.66), tail with 200 sx 'C' + 2% CaCL<sub>2</sub> (YLD 1.32 WT 14.6).

Production Casing: 600 sx Super 'C' Modified (YLD 1.63 WT 13.0).  
 Top of cement at 5500'

Lucky Strike AST Federal Com. #1  
 660' FSL and 1980' FWL  
 Section 28, T16S-R27E  
 Eddy County New Mexico  
 NM-101585



Typical 3,000 psi Pressure System  
 Schematic  
 Annular with Double Ram Preventer Stack



Typical 3,000 psi choke manifold assembly with at least these minimum features

