

UNITED STATES  
DEPARTMENT OF THE INTERIOR

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GEOLOGICAL SURVEY Artesia, NM 88210

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒ Re-entry DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Yates Drilling Company

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, N.M. 88210

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

At surface 660' FSL & 1980' FEL

At proposed prod. zone  
Same

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

9 miles southwest of Loco Hills, N.M.

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any) 660'

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. 1320'

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

3458' DF

16. NO. OF ACRES IN LEASE

440

19. PROPOSED DEPTH

2585'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary-Reverse Unit

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
12 1/4"	8 5/8"	24#	350'	225 sxs. - Circulate
7 7/8"	5 1/2"	15.5#	2585'	325 sxs. (Approx.)

We propose to drill out plugs and clean out hole to 2585'. 8 5/8" casing will be set @ 350' with cement circulated to the surface. Set 5 1/2" casing @ 2585' and cement with 325 sxs. The well will be perforated and stimulated as needed in the Grayburg.

BOP Program: None, well was originally drilled and plugged and later re-entered and plugged with no unusual pressure encountered.

Mud Program: Fresh water will be used to 350' then salt water will be used to T.D.

Posted  
IDI-NL  
12-20-85

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 John R. [Signature] TITLE Engineer DATE 11-25-85

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY [Signature] TITLE \_\_\_\_\_ DATE 12-6-85

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS  
ATTACHED

All distances must be from the outer boundaries of the Section.

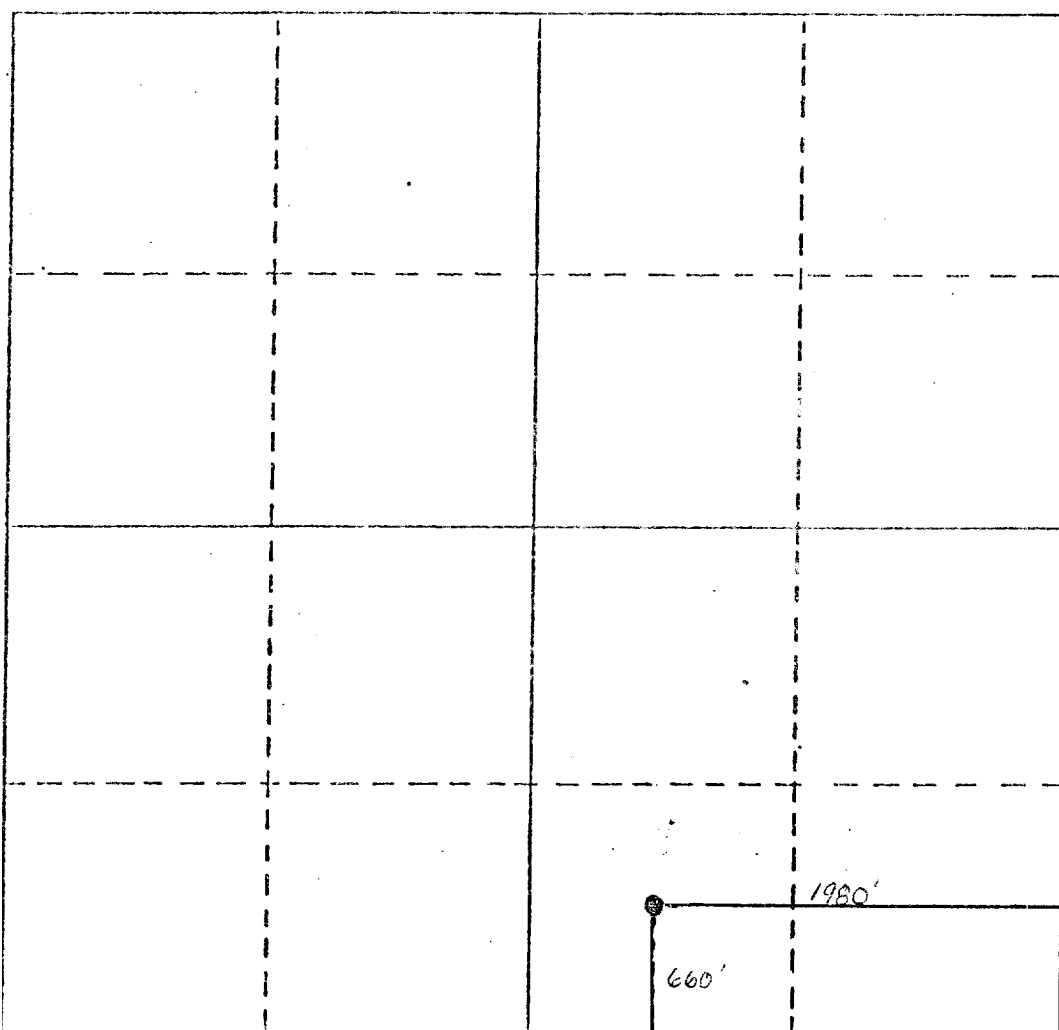
Operator Yates Drilling Company ✓			Lease Denton Hover		Well No. 1
Unit Letter 0	Section 20	Township 18S	Range 29E	County Eddy County, New Mexico	
Actual Postage Location of Well:					
660 feet from the South		Line and 1980' feet from the East		Line	
Ground Level Elev. 3458' DF		Producing Formation Grayburg		Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 Division.



#### CERTIFICATION

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

Name John R. Kuhl  
Position Engineer  
Company Yates Drilling Company  
Date 12-2-85

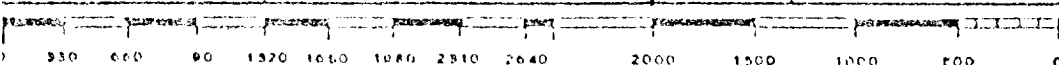
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

SEE ORIGINAL.

Date Surveyed \_\_\_\_\_

Registered Professional Engineer and/or Land Surveyor

Certificate No. \_\_\_\_\_



YATES DRILLING COMPANY  
Denton Hover Federal #1  
660' FSL & 1980' FEL  
Section 20-T18S-R29E  
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Drilling Company submits the following items of pertinent information in accordance with BLM requirements.

1. The geologic surface formation is quartermary.
2. The estimated tops of geologic markers are as follows:

Base of Salt	830'
Yates	975'
Seven Rivers	1265'
Queen	2008'
Grayburg	2320'
T.D.	2585'
3. The estimated depths at which anticipated water, oil and gas formations are expected to be encountered:

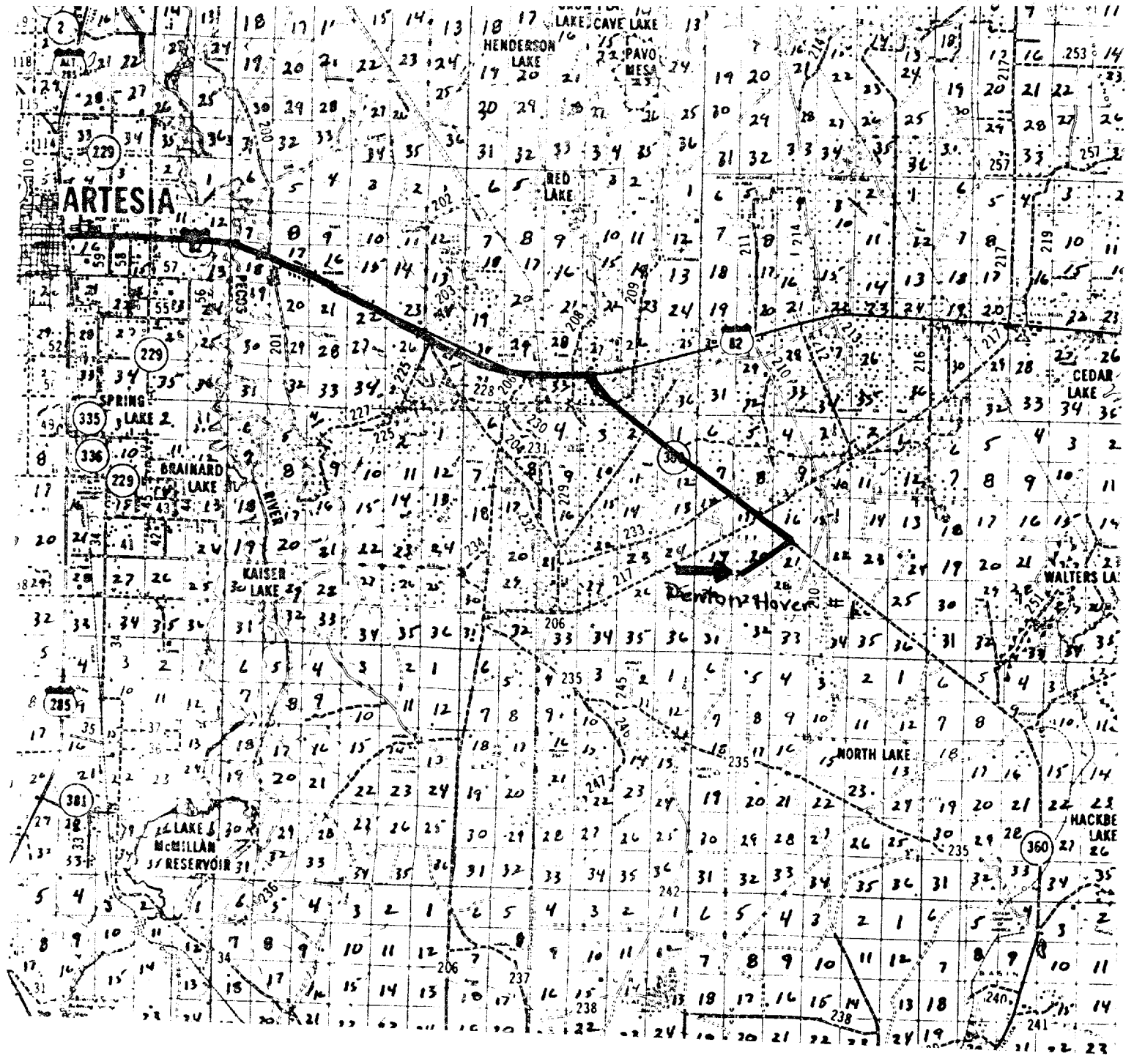
Water: possible in random sands from surface to 240'

Oil and/or gas: possible in Seven Rivers, Queen and Grayburg at depth listed in item #2
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: None
8. Testing, Logging and Coring:

DST: None

Coring: None

Logging: GR/SNP, DLL/GR casing to T.D.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated Starting Date: As soon as possible after approval.



DRILLING CO.  
EXHIBIT C.  
USE OF EXISTING LOCATION

