

Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

(Other instructions on reverse side)

Budget Bureau No. 42-R1425

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 S. 4th Street, Artesia, N.M. 88210

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

At surface 990' FNL and 1980' FEL

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)

990'

16. NO. OF ACRES IN LEASE

Unit-1080 acres

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40 acres

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

19. PROPOSED DEPTH

2461'

20. ROTARY OR CABLE TOOLS

Reverse Unit

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

3571' DF

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
10"	8 5/8"	24#	Approx. 250' ^{310'}	100 sx - circ. to surface
8"	5 1/2"	14#	1905'	125 sx.

We propose to drill plugs and clean out hole to original TD of 2461', 8 5/8" csg. will be set @ 250'. New 5 1/2" csg. with a 7" sleeve will be set at the top of shot off 5 1/2" csg. (1905'). After logging, the well will be perforated and stimulated as needed in the Loco Hills - Grayburg. This well was drilled by Ernest A. Hanson in September, 1963 and plugged by the same in September, 1964.

Mud Program: Fresh Water to approximately 250' (Top of Salt).
Salt Water to TD.

BOP Program: NONE

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. If flowout preventer program, if any.

24.

SIGNED

John R. Phelan

TITLE Engineer

DATE 7/12/84

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

John R. Phelan

TITLE

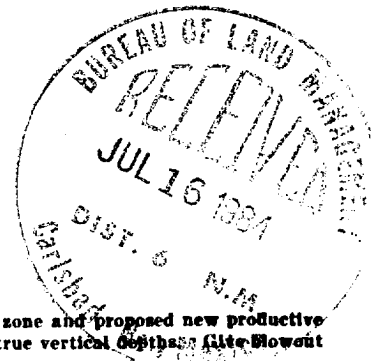
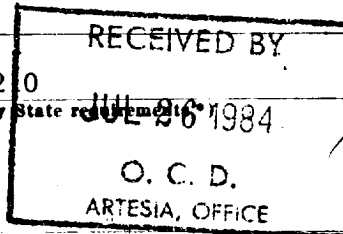
DATE

7-25-84

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

ATTACHED



Post ID-1
8-3-84
BR

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

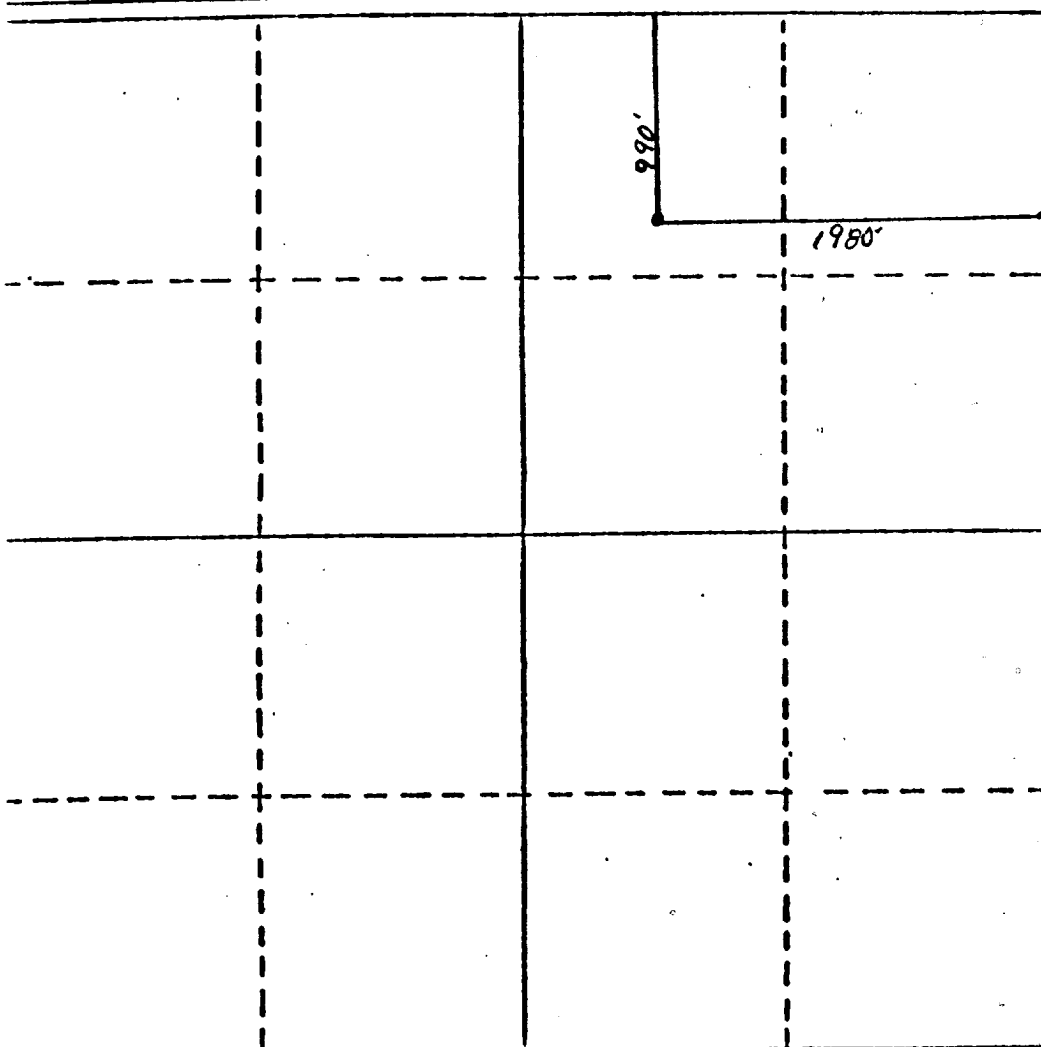
Operator Yates Drilling Company			Lease South Loco Hills Unit		Well No. 2
Well Letter B	Section 19	Township 18S	Range 29E	County Eddy	
Actual Postage Location of Well:					
990' feet from the North line and		1980 feet from the East line			
Ground Level Elev. 3571'	Producing Formation Loco Hills-Grayburg	Pool Loco Hills-Q-G-SA		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 Unitized

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.

T.L. Rhodes

Name

T.L. Rhodes

Position

Engineer

Company

Yates Drilling Company

Date

6/18/84

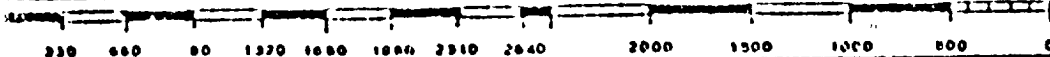
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

See Original.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.



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LOCATION OFFICE	
REPORTER	

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT
 SEE INSTRUCTIONS FOR COMPLETING THIS FORM ON THE REVERSE SIDE

FORM C-128
 Revised 5/1/57

SECTION A

Operator Ernest A. Hanson		Lease Vatey - Federal B		Well No. 1
Site Letter B	Section 19	Township 18 South	Range 29 East	County Eddy
Actual Footage Location of Well: 990 feet from the North line and 1920 feet from the East line				
Ground Level Elev. 3569 G.L.	Producing Formation Grayburg	Pool Artesia Lee Hill	Dedicated Acreage: 40 Acres	

Is the Operator the only owner in the dedicated acreage outlined on the plat below? YES ☒ NO ____ . ("Owner" means the person who has the right to drill into and to produce from any pool and to appropriate the production either for himself or for himself and another. (65-3-29 (e) NMSA 1935 Comp.)

If the answer to question one is "no," have the interests of all the owners been consolidated by communization agreement or otherwise? YES ____ NO ____ . If answer is "yes," Type of Consolidation _____

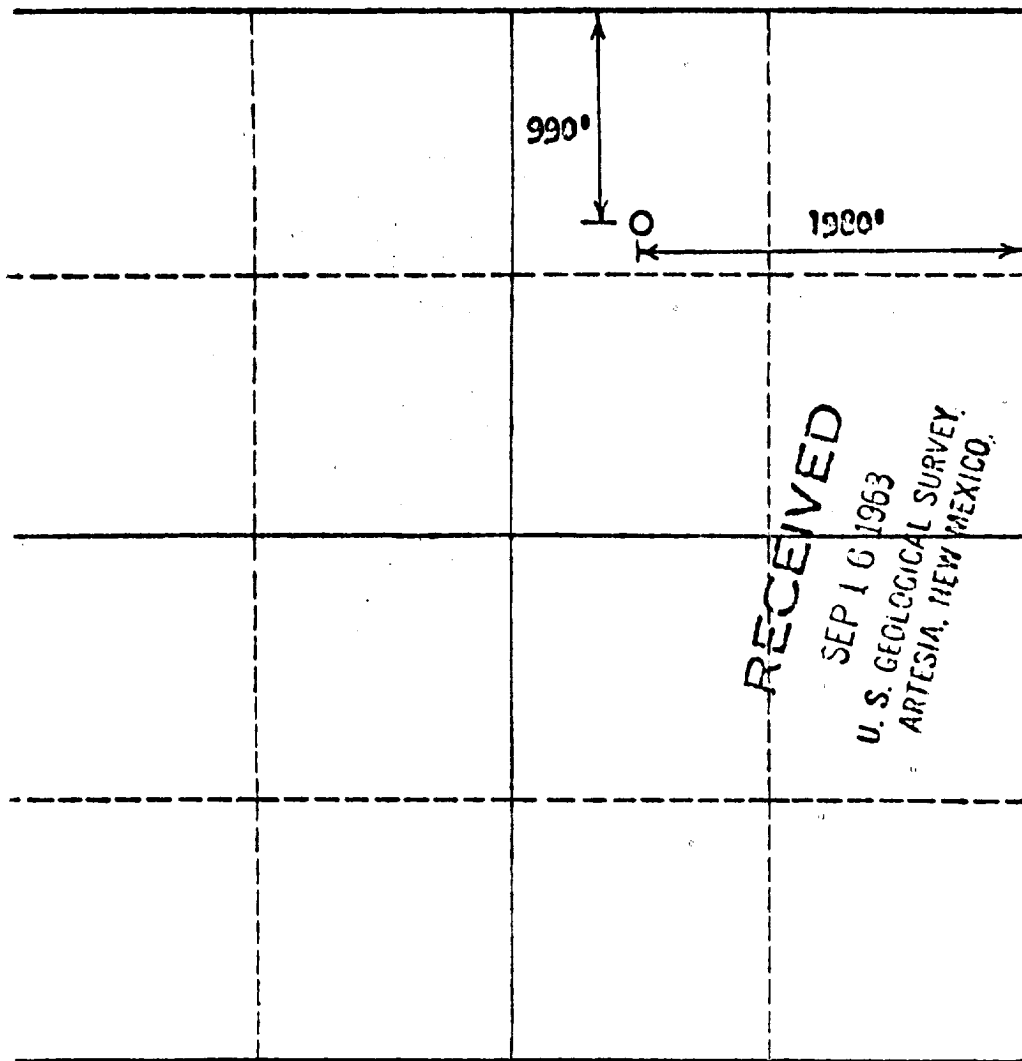
If the answer to question two is "no," list all the owners and their respective interests below:

Owner	Land Description

SEP 18 1963

O. C. E.
 ARTESIA, OFFICE

SECTION B



RECEIVED
 SEP 16 1963
 U. S. GEOLOGICAL SURVEY
 ARTESIA, NEW MEXICO

CERTIFICATION

I hereby certify that the information in SECTION A above is true and complete to the best of my knowledge and belief.

Name <i>Harry F. Johnson</i>
Position Geologist
Company E. A. Hanson
Date 9 - 13 - 63

I hereby certify that the well location shown on the plat in SECTION B 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 9 - 13 - 63
Registered Professional Engineer and/or Land Surveyor <i>Paul A. Swartz</i>
Certificate No. 2727

YATES DRILLING COMPANY
SOUTH LOCO HILLS UNIT #2
990' FNL and 1980' FEL
Sec. 19-T18S-R29E
Eddy County, New Mexico

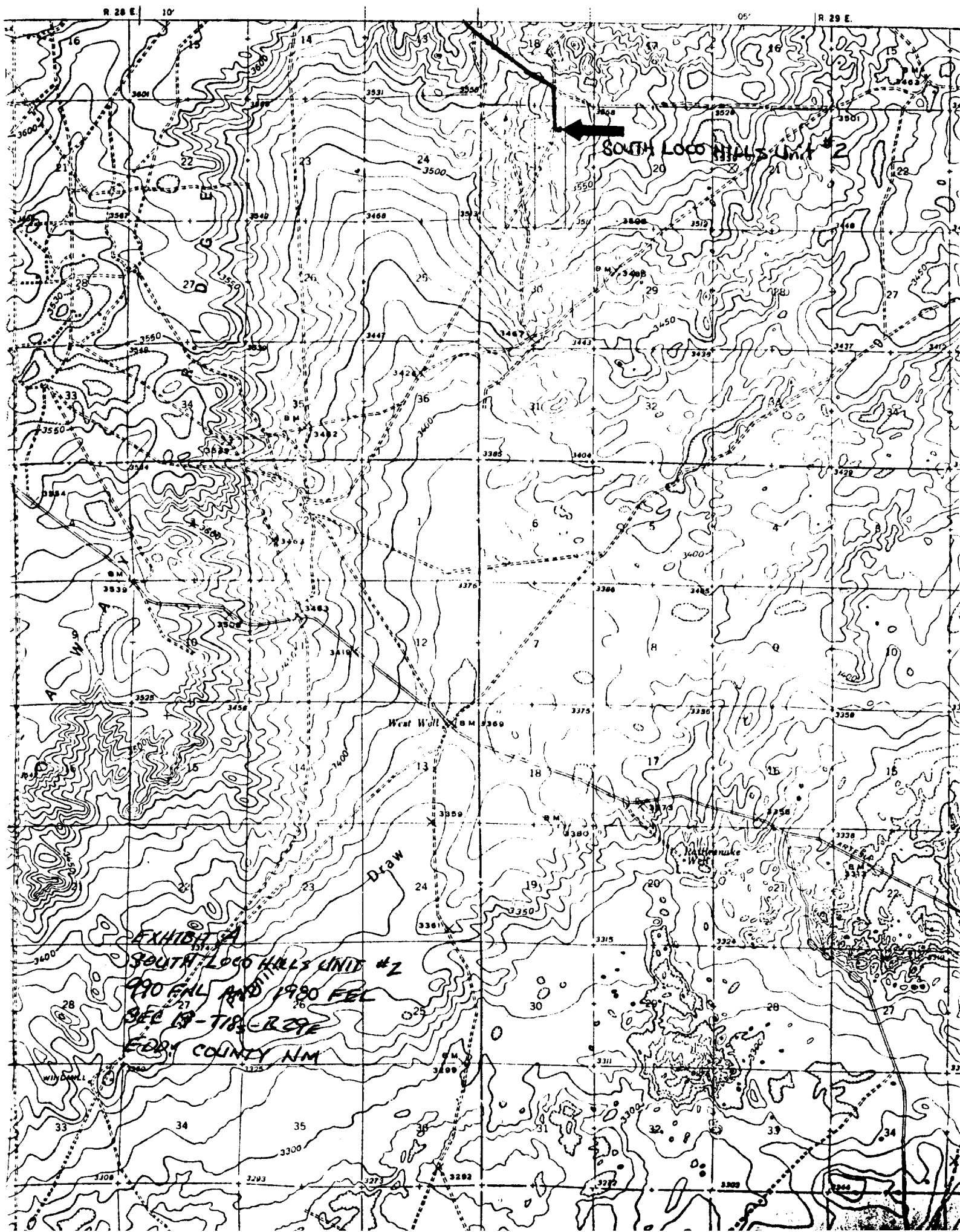
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Drilling Company submits the following ten items of pertinent information in accordance with BLM requirements.

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

Yates	952
Seven Rivers	1264
Queen	1951
Grayburg	2318
TD	2461
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	100' - 200'
Oil or Gas:	2318'
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 Program:

Samples:	As Warranted
DST's:	As Warranted
Coring:	As Warranted
Logging:	GR-CNL TD to surface.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



YATES DRILLING CO.
EXHIBIT C. RE-ENTRY

