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NEW MEXICO OIL CONSERVATION COMMISSION

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SEP 13 1977

O.C.C.

ARTESIA, OFFICE

30-015-22294

Form C-101
Revised 1-1-65

5A. Indicate Type of Lease

STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Ferguson "IF"	
2. Name of Operator Yates Petroleum Corporation		9. Well No. 2	
3. Address of Operator 207 South 4th Street - Artesia, NM 88210		10. Field and Pool, or Wildcat Und. Penasco Draw (Yeso SA)	
4. Location of Well UNIT LETTER <u>M</u> LOCATED <u>330</u> FEET FROM THE <u>South</u> LINE AND <u>990</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>28</u> TWP. <u>18S</u> RGE. <u>26E</u> NMPM		12. County Eddy	
21. Elevations (Show whether BL, RT, etc.) 3390'		19. Proposed Depth Approx 3100'	19A. Formation Yeso
21A. Kind & Status Plug, Bond Blanket		21B. Drilling Contractor Verna Drilling Co.	20. Rotary or C.T. Rotary
		22. Approx. Date Work will start As soon as approved	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9-5/8"	7"	20#	Approx 1200'	550 sacks	Circulate
6 1/4"	4 1/2" & 5 1/2"	9.5 & 14#	" 3100'	175 sacks	Circulate

Propose to drill and test the Yeso and San Andres Formations. Casing will be set 100' below the Artesian Water Zone and cement circulated. A tapered 4 1/2" and 5 1/2" oil string will be run and cemented to the surface.

Mud Program: - F. W. Gel and LCM to casing point and fresh water to TD.

BOP Program: - BOP's will be installed on 7" casing and tested.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,

EXPIRES 12-14-77

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAMS IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Christine Tomlinson Title Geol. Secty Date 9-13-77

(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE SEP 14 1977

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to
surface behind 7" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing
the 7" casing

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.

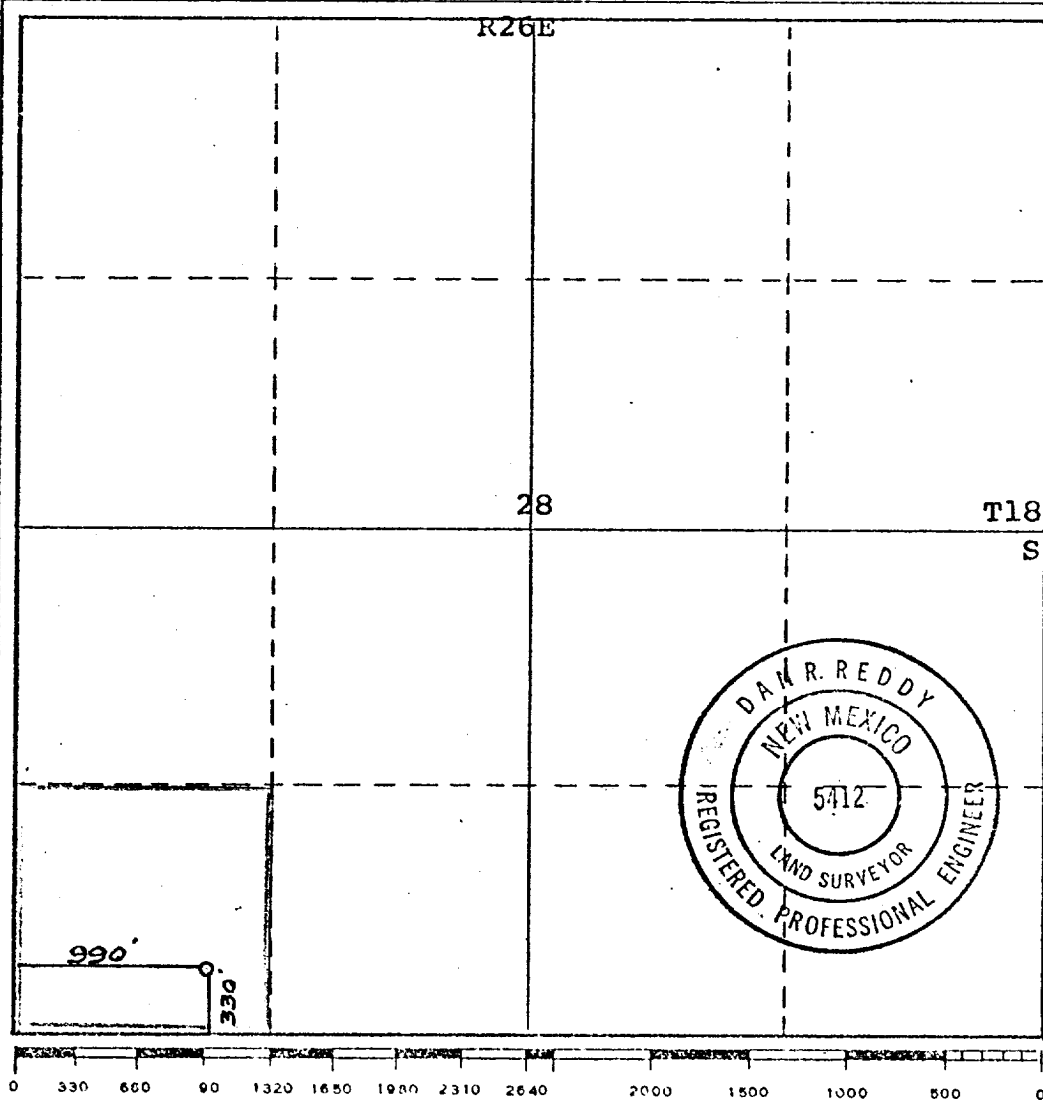
Operator YATES PETROLEUM CORPORATION			Lease Ferguson IF		Well No. #2
Unit Letter M	Section 28	Township 18 South	Range 26 East	County Eddy	
Actual Footage Location of Well: 330 feet from the South line and 990 feet from the West line					
Ground Level Elev. 3390	Producing Formation Yeso		Pool Undesignated	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 Commission.



CERTIFICATION

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

Eddie M. Mahfood

Name
Eddie M. Mahfood

Position
Engineer

Company
Yates Petroleum Corp.

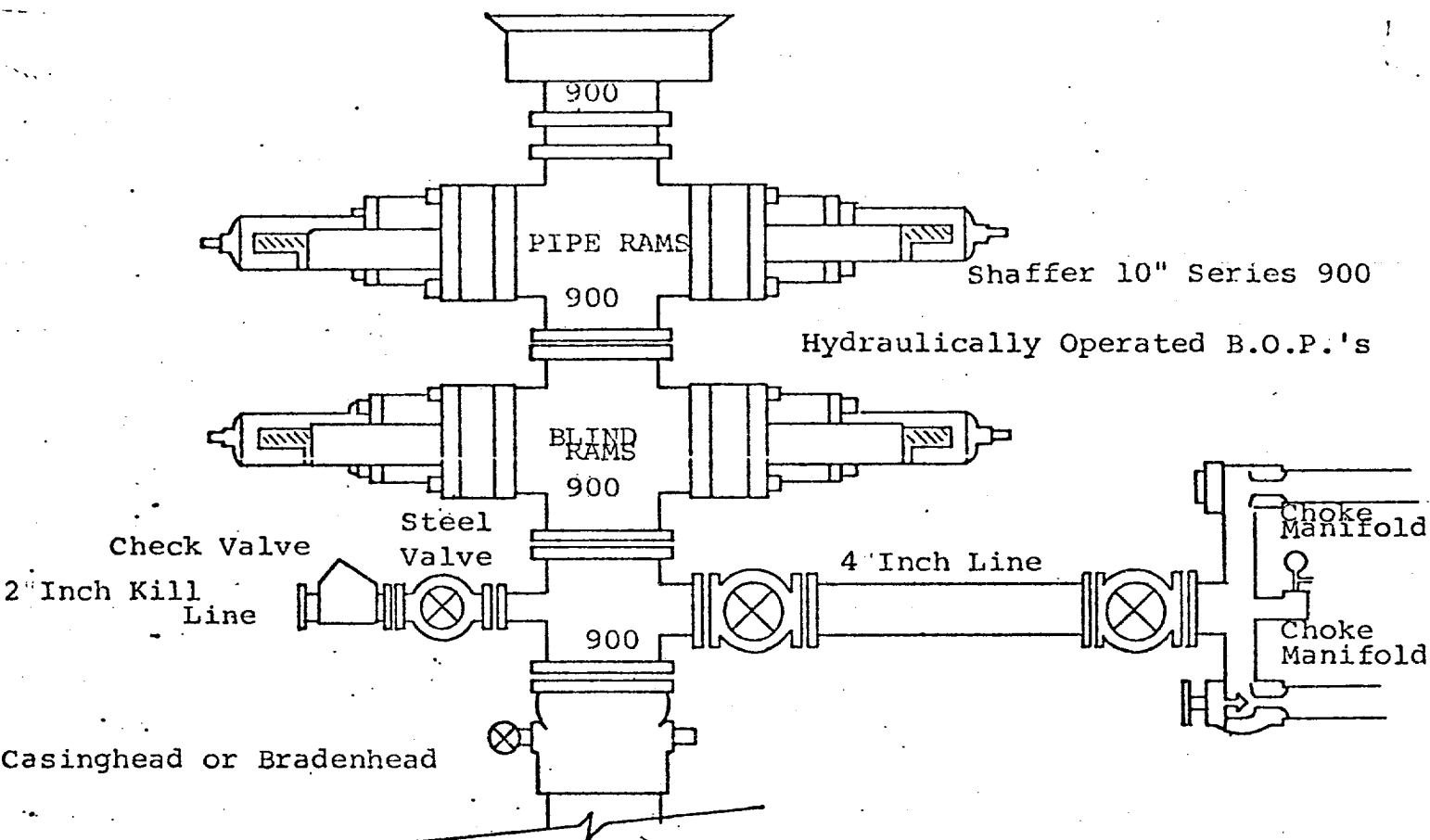
Date
9-12-77

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.

Date Surveyed
Sept. 8, 1977

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
5412 N.M.P.E.&L.S.



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls 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. hole 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.