

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-015-23201

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

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

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, New Mexico 88210

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

At surface

660' FNL & 1980' FWL

At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NM-11326

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Rio Pecos "NF" Fed

9. WELL NO.

1

10. FIELD AND/POOL, OR WILDCAT

Und. San Andres

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

C- Sec. 33-T18S-R27E

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

12 miles SE of Artesia, New Mexico

12. COUNTY OR PARISH

Eddy

13. STATE

NM

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

120

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

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

.6 mi.

19. PROPOSED DEPTH

1800'

20. ROTARY OR CABLE TOOLS

Small Rotary

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

3793.1

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

Lease Expires 2/29/80

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8"	20# X-42	360'	275 sx circulate
7 7/8	5 1/2" or 4 1/2"	15.5# K-55 or 10.5#	1800'	650 sx circulate

Propose to drill and test the lower San Andres formation. Will set about 360' of surface casing. If commercial, will run 5 1/2" or 4 1/2" casing and circulate the cement. Will perforate and stimulate as needed for production.

MUD PROGRAM: Native or FW gel if needed to clean hole.

BOP PROGRAM: Pipe rams will be set on 8 5/8" casing and tested.

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ARTESIA, NEW MEXICO

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

Glenn A. Ludwig

TITLE

Geographer

DATE

2/20/80

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

2-28-80

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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.

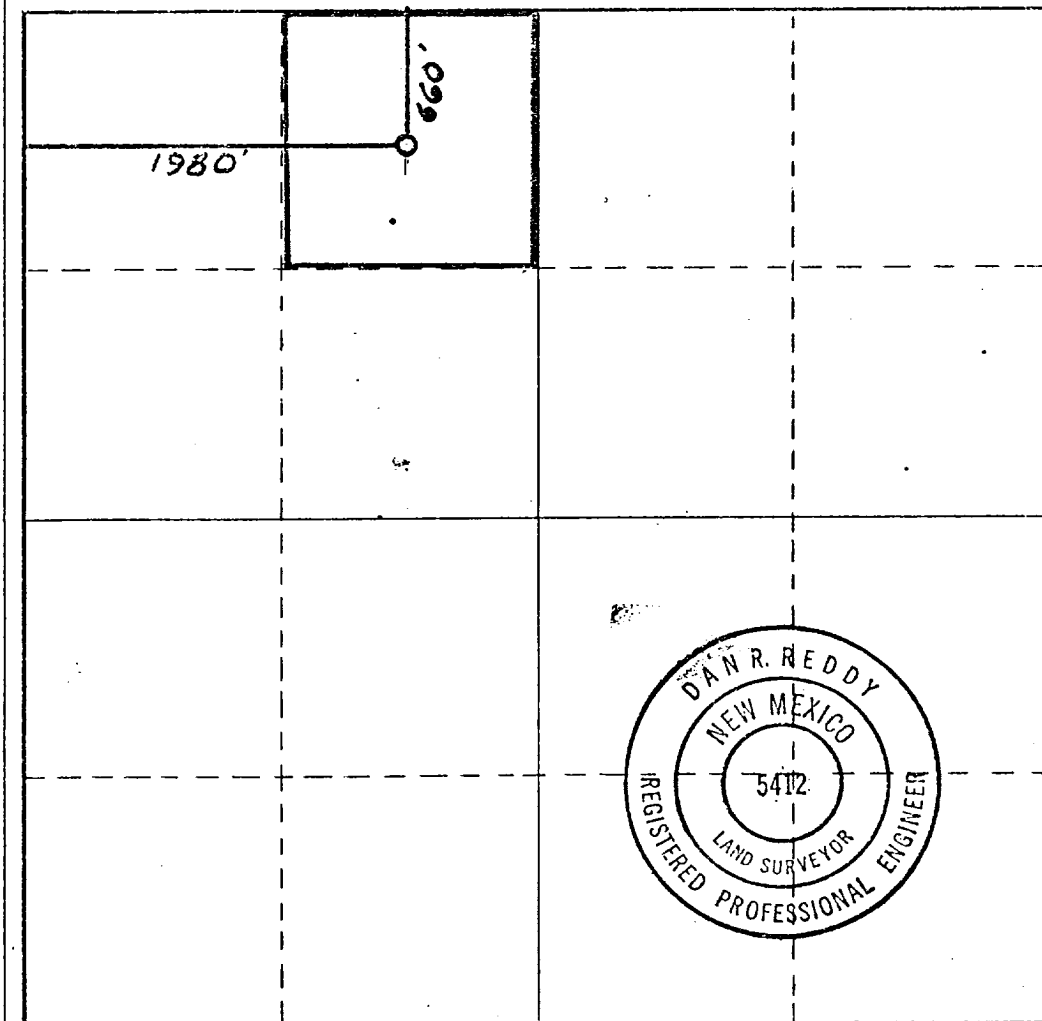
Operator Yates Petroleum Corporation			Lease Rio Pecos NF Federal		Well No. 1
Unit Letter C	Section 33	Township 18 South	Range 27 East	County Eddy	
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line					
Ground Level Elev. 3379	Producing Formation San Andres		Pool Wichita sa. sub.	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.

Gliserio Rodriguez
Name
GLISERIO RODRIGUEZ
Position
GEOGRAPHER
Company
YATES PETROLEUM CORP.
Date
2-19-80

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
Feb. 18, 1980
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
NMPE&LS #5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

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O. C. D.
ARTESIA, OFFICE

February 28, 1980

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210

Gentlemen:

YATES PETROLEUM CORPORATION
Rio Pecos "NF" Fed No. 1
660 FNL 1980 FWL Sec. 33 T.18S R.27E
Eddy County Lease No. NM 11326

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 1,800 feet to test the San Andres formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. All access roads will be limited to a 12 foot wide driving surface, excluding turnarounds. Surface disturbance associated with road construction will be limited to 20 feet in width.
4. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
5. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
6. Notify the Survey by telephone 24 hours prior to spudding well.
7. Cement behind the 8-5/8" and 5-1/2" (4-1/2") casing must be circulated.



8. Notify Survey in sufficient time to witness the cementing of the 8-1/2" and 5-1/2" (4-1/2") casing.
9. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

George H. Stewart
Acting District Engineer

Yates Petroleum Corporation
Rio Pecos "NF" Federal #1
660' FNL & 1980' FWL
Section 33 - T18S - R27E
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 Seven Rivers.
2. The estimate tops of geologic markers are as follows:

San Andres	1772'	Queen	974'
TD	1800'	G1	1392'

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

Water: Approximately 150'

Oil: San Andres 1775'

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: As required.
8. Testing, Logging and Coring Program:

Samples: Surface casing to T.D.
DST's: None
Logging: GRN surface to T.D.
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as approved as the lease expires 2/29/80.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation
Rio Pecos "NF" Federal #1
Section 33-T18S-R27E
660' FNL & 1980' FWL
(Developmental Well)

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ARTESIA, NEW MEXICO

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operation.

1. EXISTING ROADS.

Exhibit A is a portion of a USGS topographic map showing the wells and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 12 miles SE of Artesia, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed east from Artesia on Highway 82 for a distance of approximately 12.5 miles.
2. Turn south for approximately 4.65 miles and turn SW for 1 mile; then west across cattleguard, continue west for 2 miles to another cattleguard, keep going west for 1.1 miles to a third cattleguard. The Rio Pecos "KO" location is .2 miles southwest on the road. From "KO" location continue west for .8 mile then turn south for approximately 700'. Ranch road starts from behind Yates' Gorman 1-28. (This will be bladed) for .75 mile. New road goes west from here.

2. PLANNED ACCESS ROAD.

- A. The new road will be approximately 550' in length.
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be bladed. The surface will be crowned, with drainage on one side.
- D. The new road has been flagged.

3. LOCATION OF EXISTING WELLS.

- A. Drilling activity within a one-mile radius of the wellsite is shown on Exhibit A. The nearest production is an oil well in the SW/4 of Section 28.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no producing well facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. Location will be scraped and will use caliche, but if any caliche required for construction of the drilling pad and the new access road, it will be obtained from a private pit four miles east.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained of prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface slopes slightly from east-to-west, minor cut and fill will be needed in the pad area.
- C. The reserve pits will be plastic lined.
- D. The 400' X 400' area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have been filled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the BLM and the USGS will be complied with and will be accomplished as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is sloping. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover consists of prairie grass and other miscellaneous desert growth. No wildlife was observed, but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. There is the Pecos River 1 1/2 mile west of the area.
- D. There are no inhabited dwellings in the vicinity of the proposed well.
- E. Surface Ownership: The wellsite is on federal surface. Grazee is Bill Gissler.
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.


- A. The field representative responsible for assuring compliance with the approved surface use plan are:

Gliserio "Rod" Rodriguez
Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico 88210
(505) 746-3558

13. CERTIFICATION.

I hereby certify that I, or person under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2-20-50
Date


Gliserio Rodriguez, Geographer

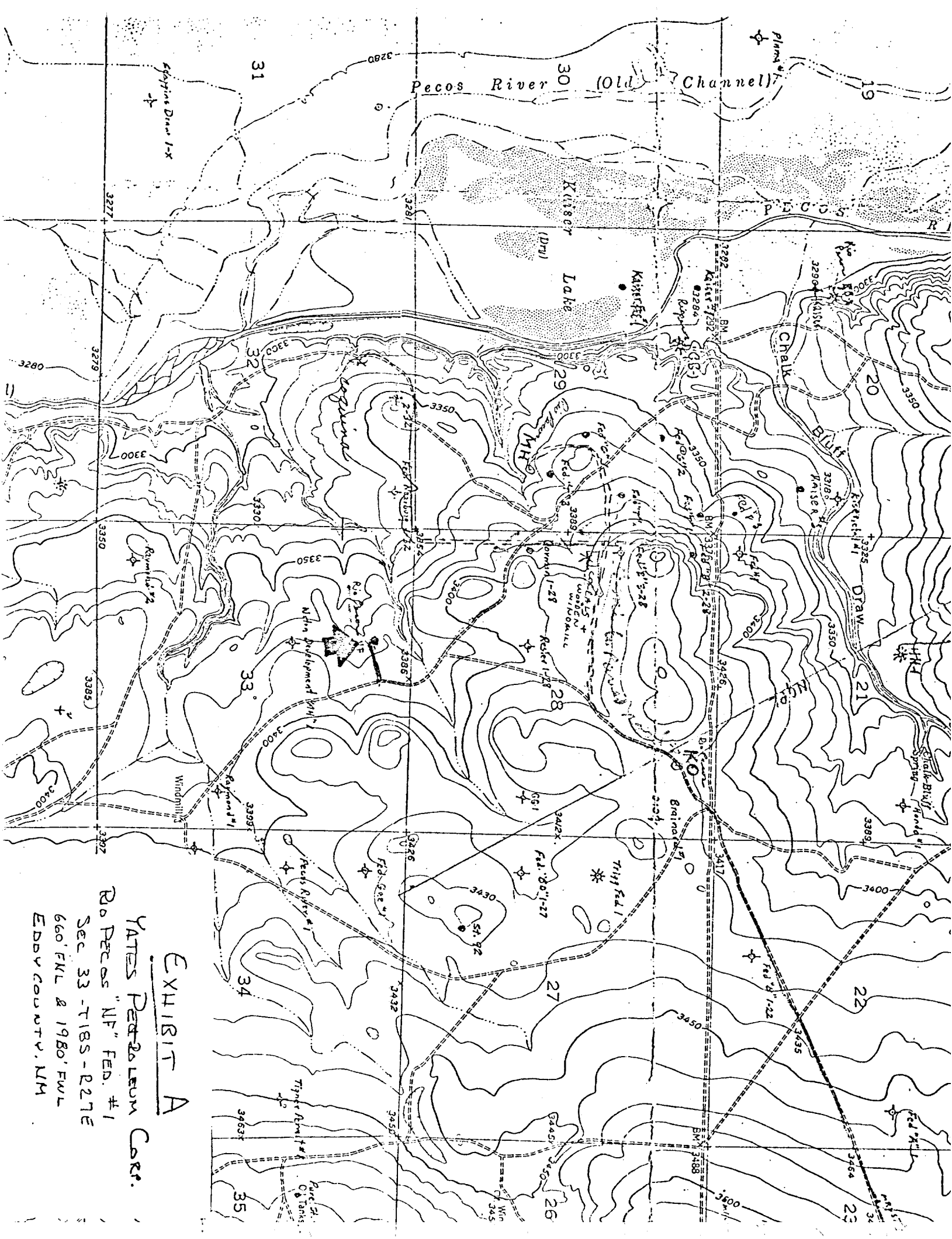


EXHIBIT A

YATES Petroleum Corp.

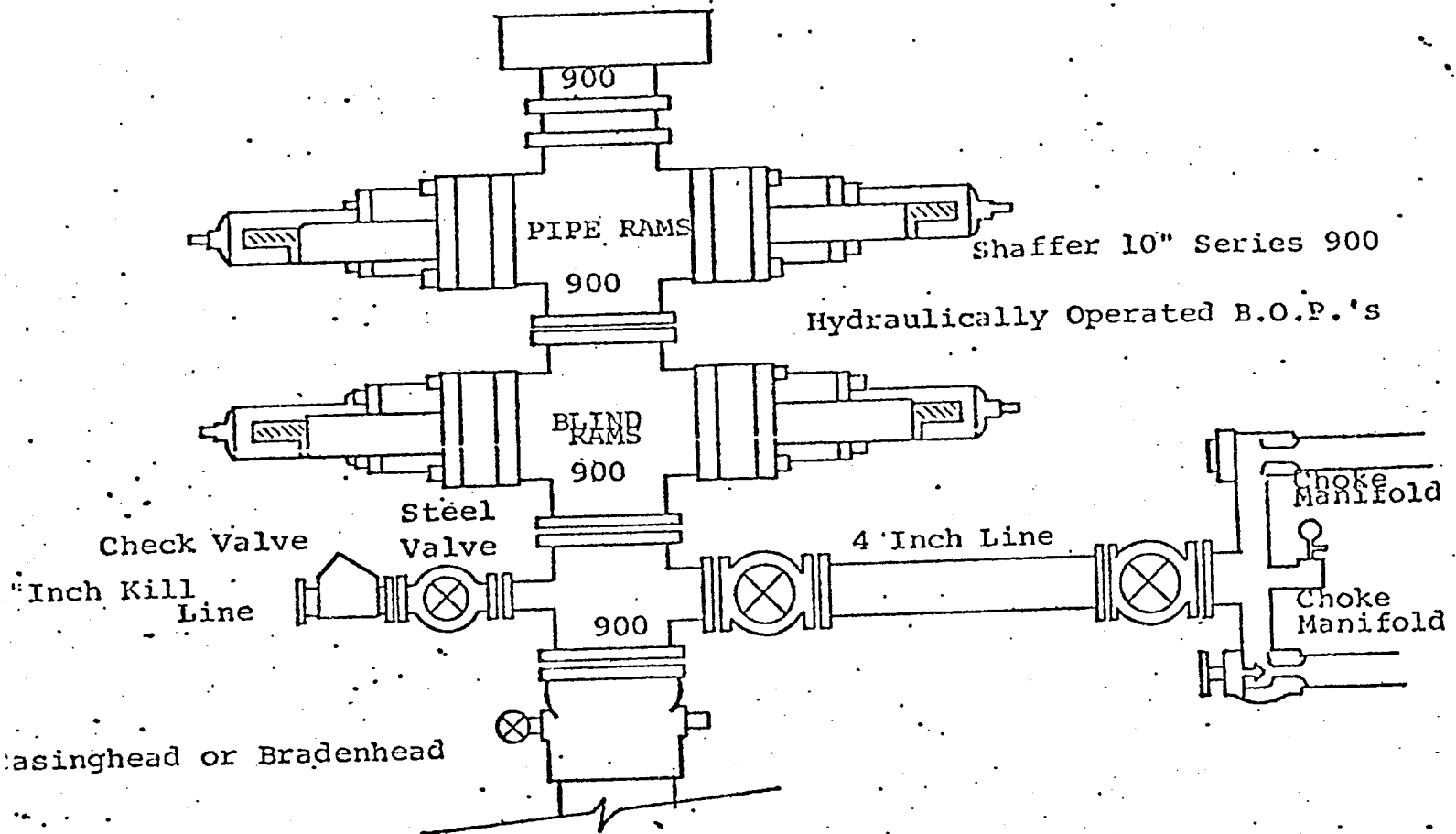
Re Pecos "NF" Fed. #1

Sec 33 - T18S - R27E

660' FNL & 1980' FWL

EDDY COUNTY, NM

EXHIBIT B



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.

YATES PETROLEUM CORPORATION

