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NEW MEXICO OIL CONSERVATION COMMISSION
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FEB 13 1981

O. C. D.

30-015-23668

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 DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Well Agreement Name
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Firm or Lease Name Nix PK
c. Name of Operator Yates Petroleum Corporation ✓		9. Well No. 2
3. Address of Operator 207 S. 4th St., Artesia, NM 88210		10. Field and Pool, or Without X Und. Atoka-Yeso
4. Location of Well UNIT LETTER 0 LOCATED 330 FEET FROM THE South LINE AND 1650 FEET FROM THE East LINE OF SEC. 27 TWP. 18S RGE. 26E NMPM		12. County Eddy
11. Proposed Depth Approx. 3250		19A. Formation Yeso
21. Elevations (Show whether DT, RT, etc.) 3344 GL		20. Rotary or C.T. Rotary
21A. Kind & Status Plug Bond Blanket	21B. Drilling Contractor Stewart Bros.	22. Approx. Date Work will start As soon as approved

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
9½"	7"	20#	approx. 1120	550 cx	circulate
6½"	4½"	9.5#	approx. 3250	300 cx	circulate

Propose to drill and test the Yeso and intermediate formations. Casing will be set at least 100' below the Artesian Water Zone, and 4½" production string will be set at TD, all casing circulated to the surface. Will perforate and stimulate as needed for production.

MUP PROGRAM: F.W. gel to 1120, fresh water to TD.

BOP PROGRAM: BOP's will be installed on the 7" casing and tested, pipe rams tested daily for operational, blind rams on trips.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 8-17-81
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed [Signature] Title Geographer Date 2-10-81

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE FEB 17 1981

CONDITIONS OF APPROVAL, IF ANY:

Notify N.M.O.C.C. in sufficient time to witness completion

N MEXICO OIL CONSERVATION COMMISS.
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.

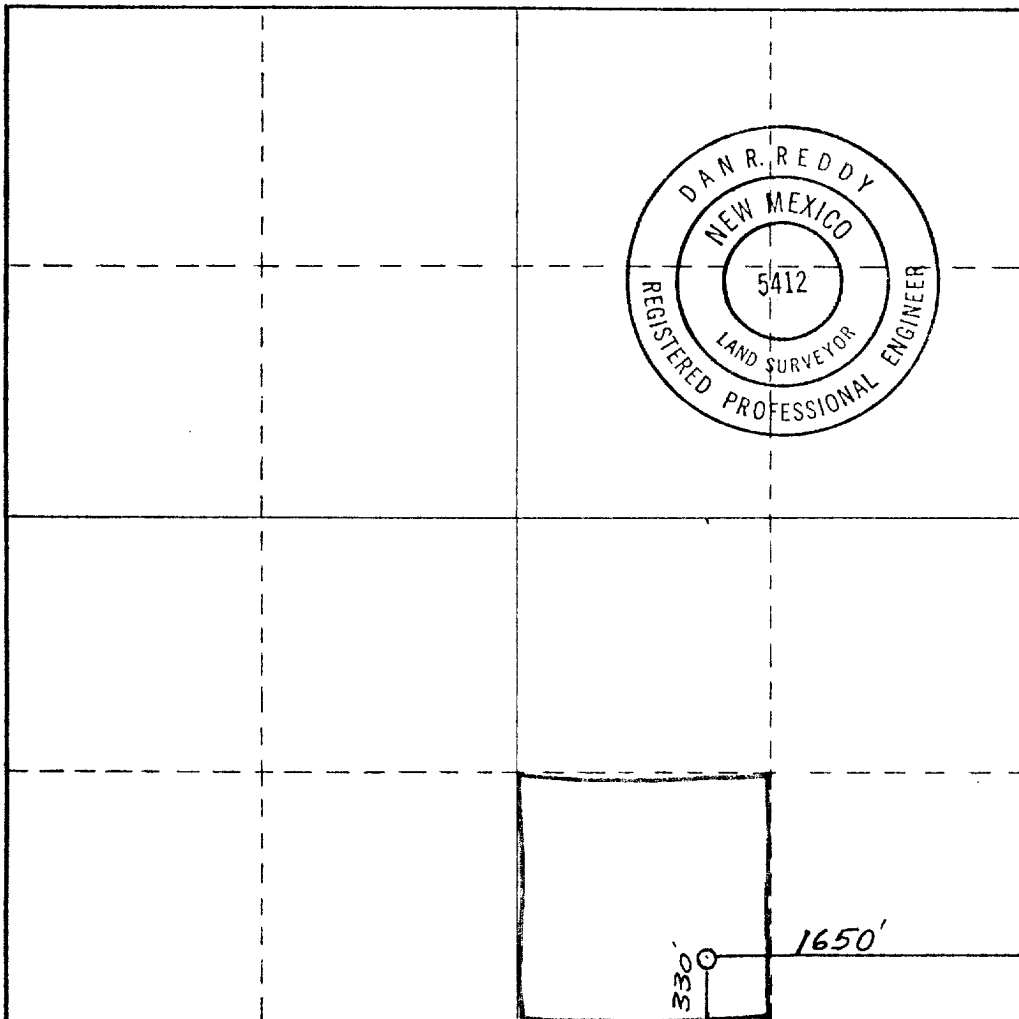
Operator YATES PETROLEUM CORPORATION			Lease Nix PK		Well No. 2
Unit Letter O	Section 27	Township 18 South	Range 26 East	County Eddy	
Actual Footage Location of Well: 330 feet from the South line and 1650 feet from the East line					
Ground Level Elev. 3344.	Producing Formation <i>Yes</i>		Pool <i>Under Atoka - Yes</i>	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 Pet. Corp.

Date

February 9, 1981

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.

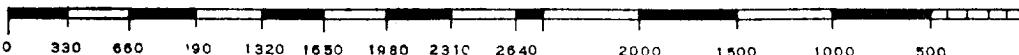
Date Surveyed

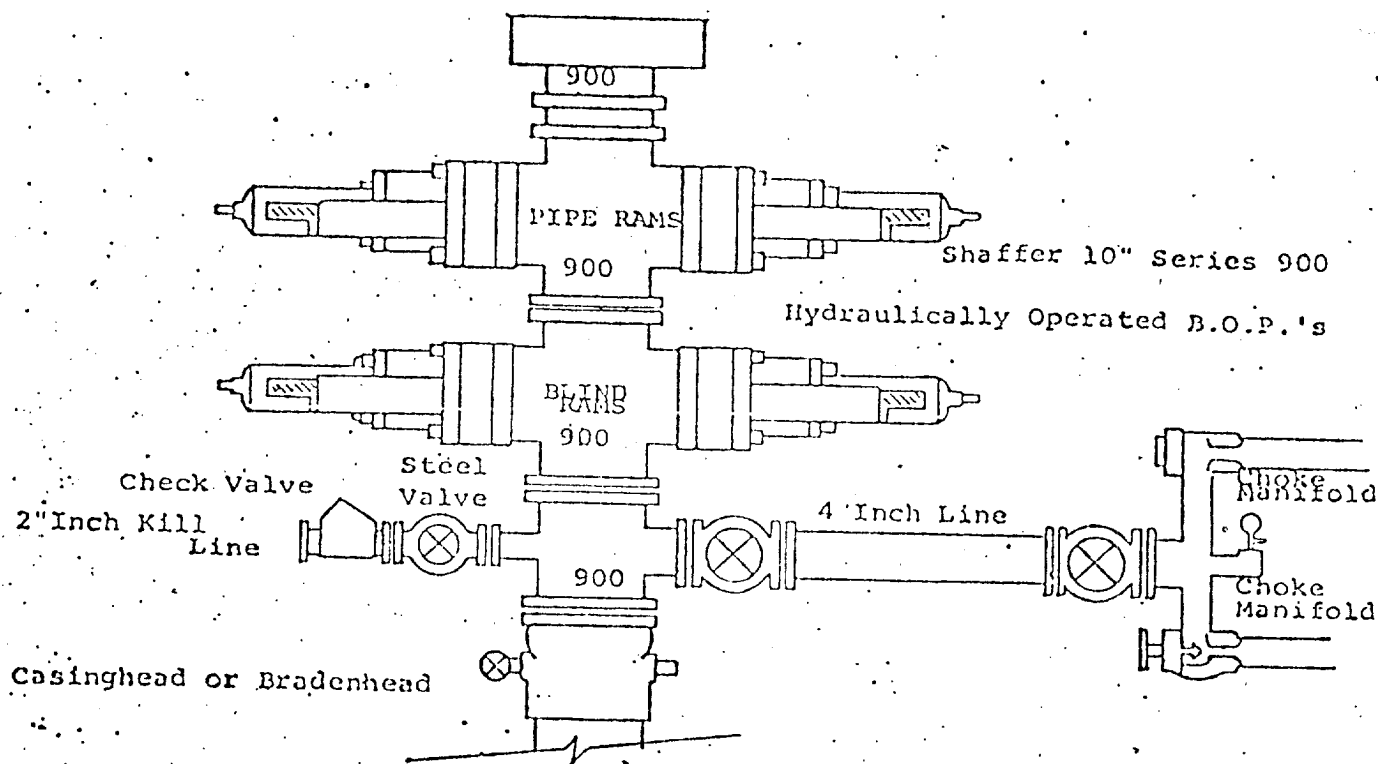
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412





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.