

UN. AND STATES
DEPARTMENT OF THE INTERIOR

C/SF

GEOLOGICAL SURVEY

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 ☐RECEIVED
ZONE ☐

2. NAME OF OPERATOR

Premier Production Company

APR 8 1982

3. ADDRESS OF OPERATOR

324 West Main, Artesia, New Mexico 88210

O. C. D.

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

At surface

1650 FSL & 990 FEL

ARTESIA, OFFICE

At proposed prod. zone

same

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

Approx. 24 miles E/SE of Artesia, New Mexico

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

320

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.

1200'

19. PROPOSED DEPTH

3300'

20. ROTARY OR CABLE TOOLS

Rotary

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

3479 GL

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# J-55	370'	300 sx circulate
7-7/8"	4 1/2"	17#	TD	1000 sx

We propose to drill test the San Andres and intermediate formations. Will set approx. 370' of surface casing to shut off gravel and casing. If commercial, will run 4 1/2" and stimulate for production.

MUD PROGRAM: FW gel and LCM to TD.

BOP PROGRAM:

Bop will be installed at outset and tested daily

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

TITLE

DATE

(This space for Federal & State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL

APPROVED
APR 6 1982
FOR (Off. Sec.), GEORGE H. STEWART
JAMES A. GILLHAM
DISTRICT SUPERVISOR

RECEIVED
MAR 19 1982

OIL & GAS
U.S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

Posted ID-1
API & NL Book
4-9-82

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.

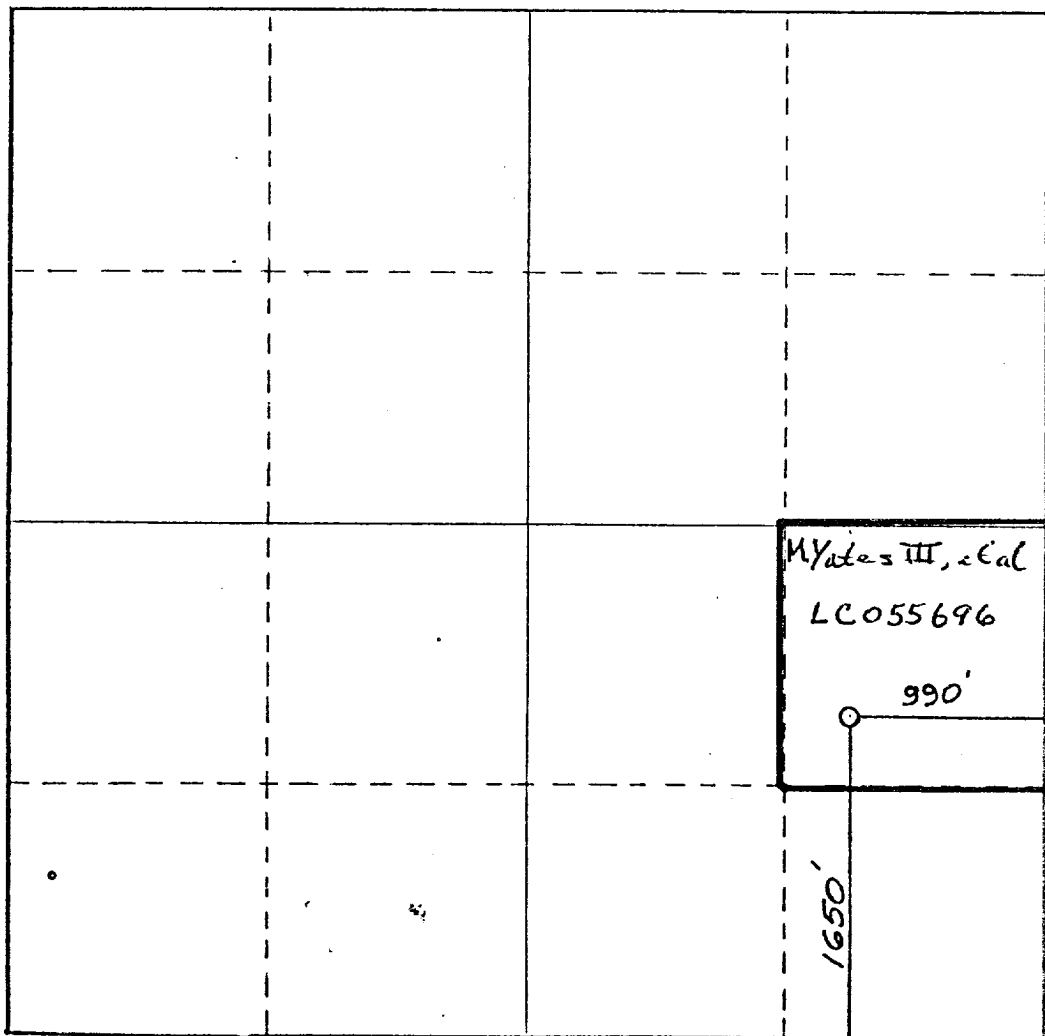
Operator PREMIER PRODUCTION CORP.			Lease Yates Premier Federal			Well No. 2		
Unit Letter I	Section 22	Township 18 South	Range 29 East	County Eddy				
Actual Footage Location of Well: 1650 feet from the South line and 990 feet from the East line								
Ground Level Elev. 3479.		Producing Formation PI		Pool UNDes. SAN ANDRES			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.

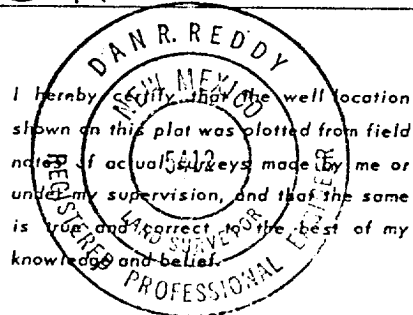
Larry Jones
Name
LARRY JONES

Position
OPERATOR

Company
PREMIER PRODUCTION CO.

Date
3-17-82

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

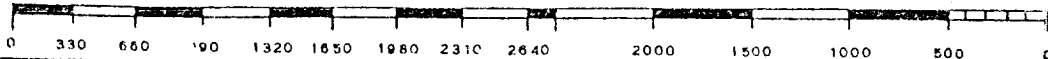
March 7, 1982

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS #5412



Premier Production Co.

Yates Premier Fed. #2
1650' FSL-990 FEL
Section 22-T18S-R29E

In conjunction with Form 9-331C, Application for permit to drill subject well, Premier Production submits the following ten items of pertinent information in accordance with USGS requirements:

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

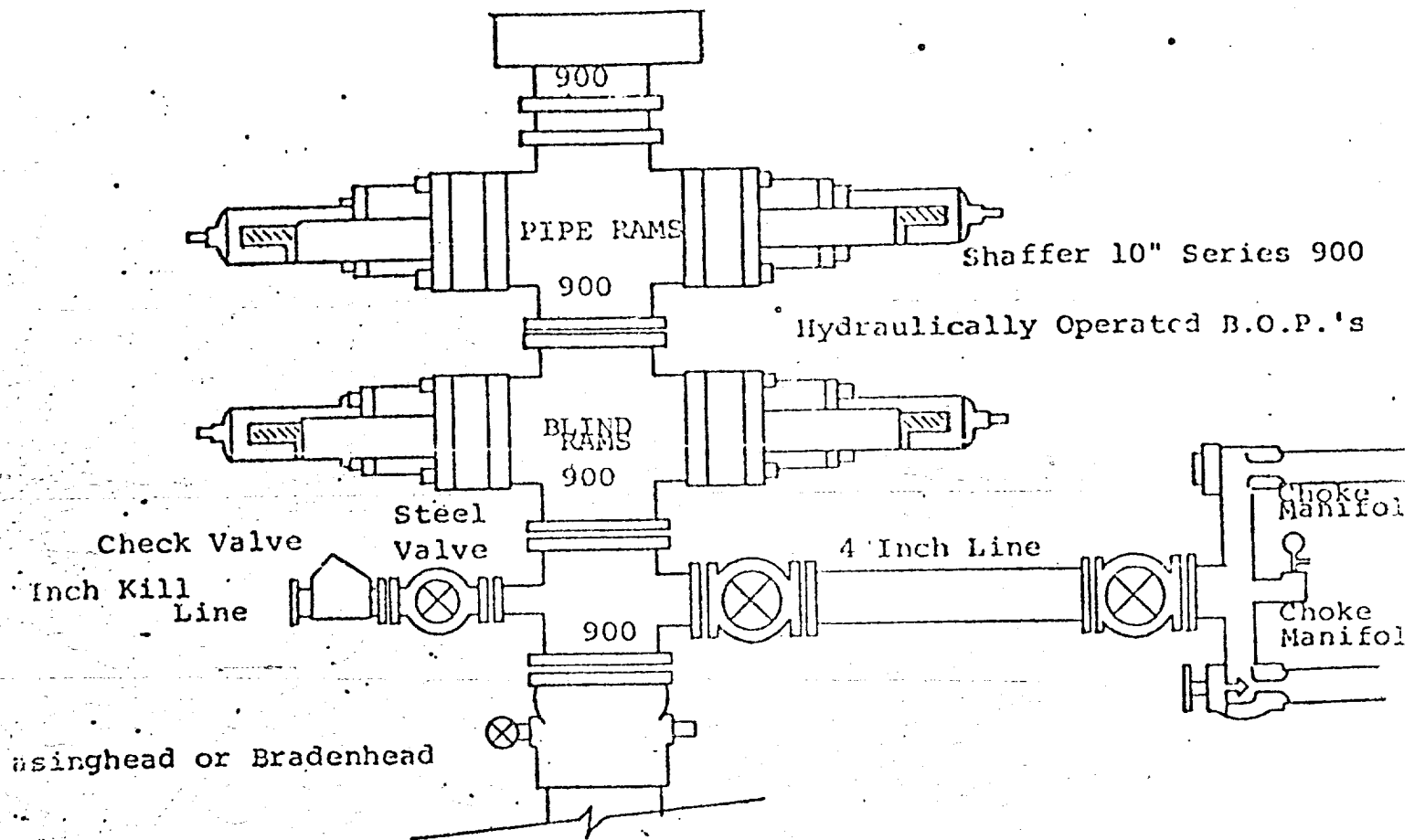
Yates	1074'
Seven Rivers	1455'
Queen	2059'
Grayburg	2414'
San Andres	2880'
TD	3300'

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

Water	Approximately	200'-240'
Oil	S.A.	2880'-3030'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C
7. Auxiliary Equipment: None
8. Testing, Logging and Coring Program:
Samples: 10' samples caught out from under surface casing to TD
DST's: As Warranted
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

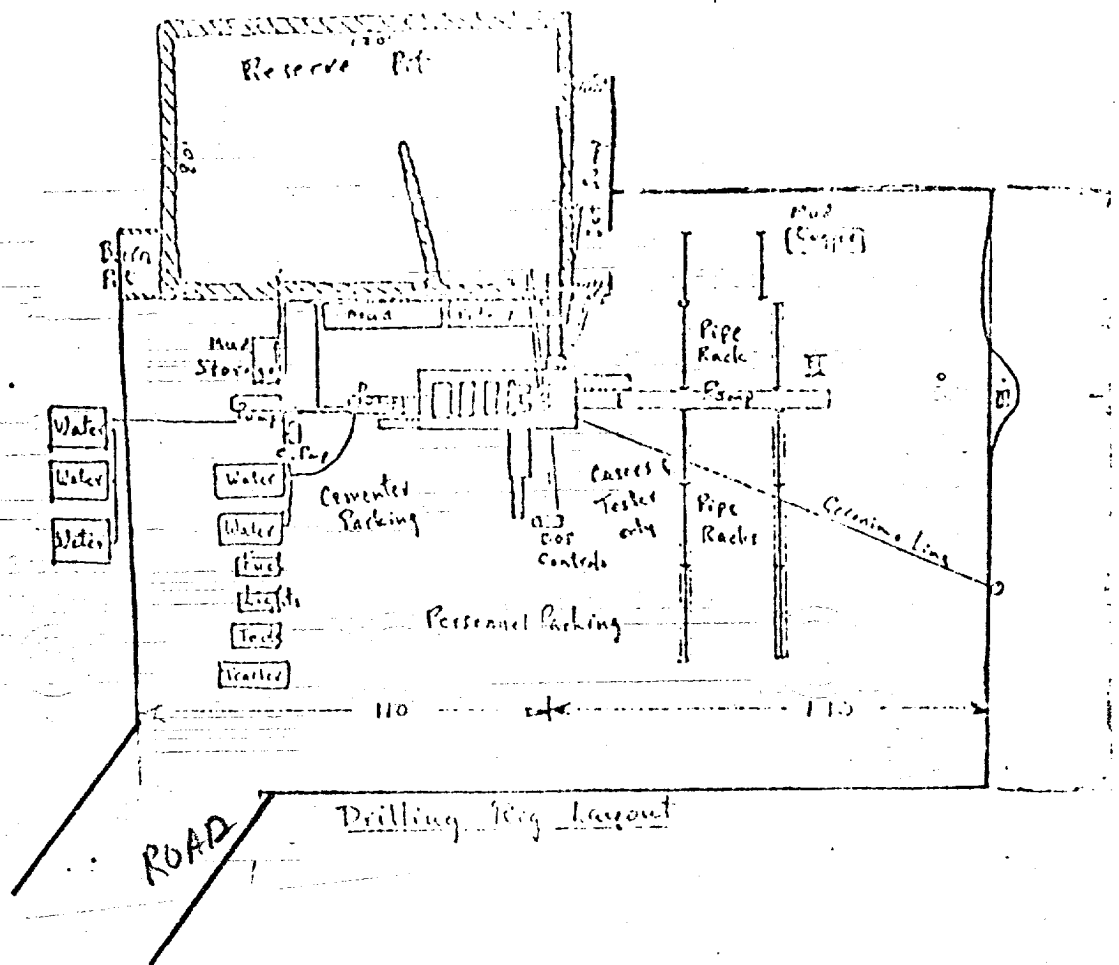
EXHIBIT B



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control 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

EXHIBIT 2



N

