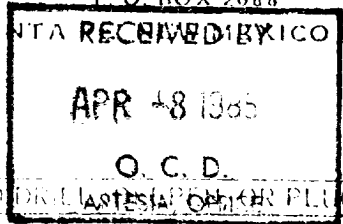


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P. O. BOX 2088
SANTA FE, N.M. 87501



5A. Indicate Type of Lease
STATE ☐ FEE ☒

5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL OR PLUG BACK

Type of Well

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

Oil Well ☒

CAS WELL ☒

OTHER

SINGLE ZONE ☐

MULTIPLE ZONE ☐

Name of Operator

Yates Petroleum Corporation ✓

Address of Operator

207 South Fourth Street - Artesia, NM 88210

Location of Well

UNIT NO. 1 LOCATED 1980 FEET FROM THE South LINE

660 West 4 18S 26E

7. Unit Agreement Name

8. Form or Lease Name

Box "ACH" Com

9. Well No.

1

10. Field and Pool, or Wildcat

West Atoka Morrow

17. County

Eddy

11. Proposed Depth Approx. 9000'	19A. Formation Morrow	20. Rotary or C.T. Rotary
12. Drilling Contractor Undesignated	22. Approx. Date Work will start ASAP	

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF CASING	SIZE OF CEMENT	WEIGHT OF CEMENT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	48# K-55	Approx. 450'	400 sacks	Circulate
12-1/4"	8-5/8"	24# K-55	" 1360'	650 sacks	Circulate
7-7/8"	4-1/2 or 5-1/2	10.5-11.6# or 15.5-17#	TD	250 sacks	

We propose to drill and test the Morrow and intermediate formations. Approximately 450' of surface casing will be set to shut off gravel and cavings and intermediate casing will be set 100' below the base of the Artesian Water Zone. Both strings will be circulated. 4-1/2" or 5-1/2" casing will be run and cemented with about 1000' of cement cover.

MUD PROGRAM: FW gel/LCM to 1360'; water to 7600' (KCL added at 4100'); flosal/drispak/KCL mud to TD; MW 8.9-9.1, Vis 35-40, WL 21-7.

BOP PROGRAM: BOP's/hydril on 8-5/8" casing, tested daily, yellow jacket prior to drilling Wolfcamp, fluid level and flow sensor equipment.

GAS NOT DEDICATED

BEFORE SIGNING, DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTION. GIVE REGOUT INVENTOR PROGRAM, IF ANY.

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

Chris May Title Regulatory Agent Date April 5, 1985

(This space for State Use)

Mike Wetherman TITLE OIL AND GAS INSPECTOR DATE APR 12 1985

CONDITIONS OF APPROVAL, IF ANY:

Insufficient
biting

P516

RECEIVED FOR 180 DAYS
APR 10-12-85
APPROVED FOR 180 DAYS
APR 10-12-85

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.

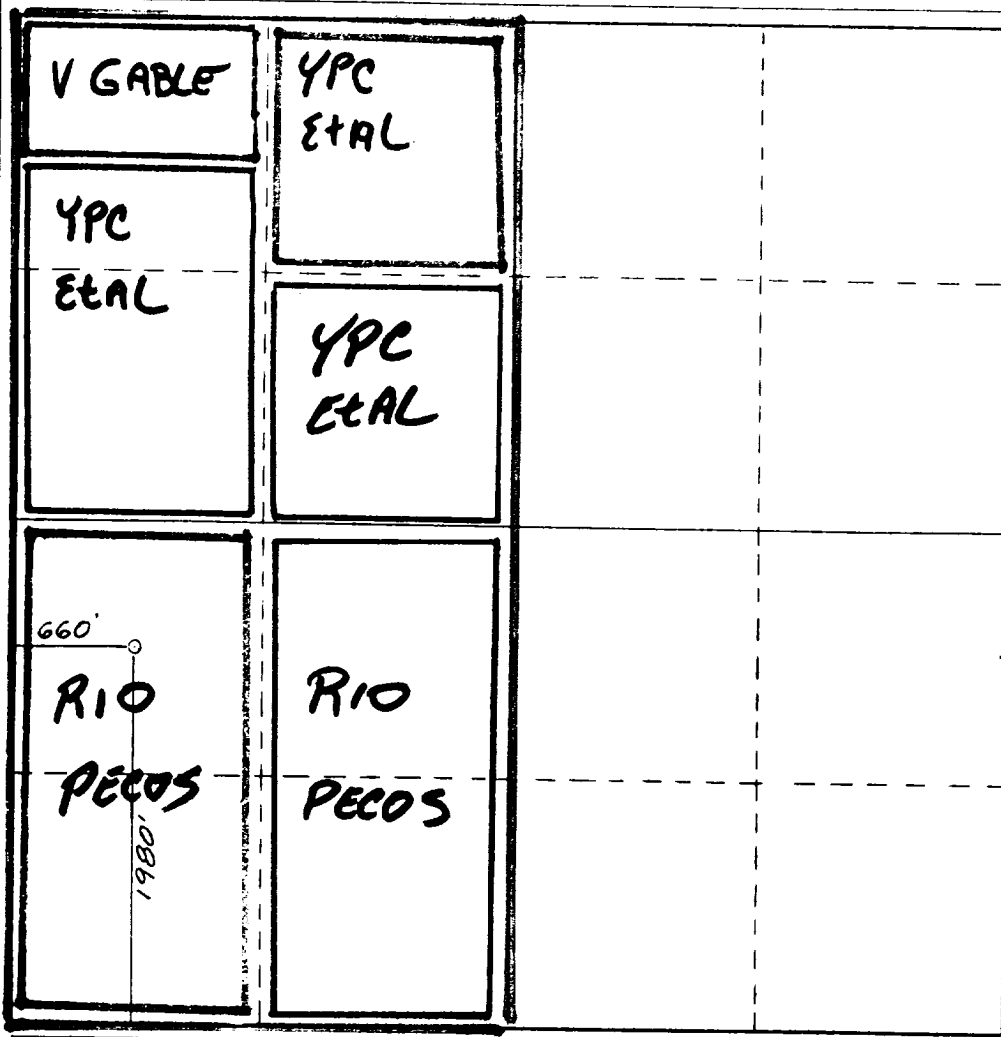
Operator YATES PETROLEUM CORPORATION			Lease Box ACH Comm		Well No. 1
Unit Letter L	Section 4	Township 18 South	Range 26 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3362.	Producing Formation MORROW		Pool WEST ATOKA MORROW	Dedicated Acreage: 320 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 TO BE COMMUNITIZED

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.

Clifton May

Name

Clifton May

Position

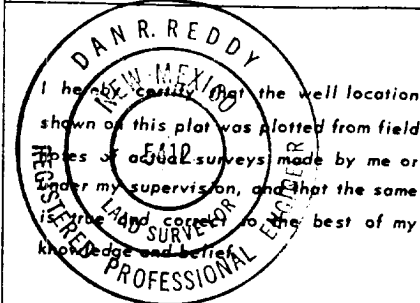
Regulatory Agent

Company

Yates Petroleum Corporation

Date

April 5, 1985



Date Surveyed

March 29, 1985

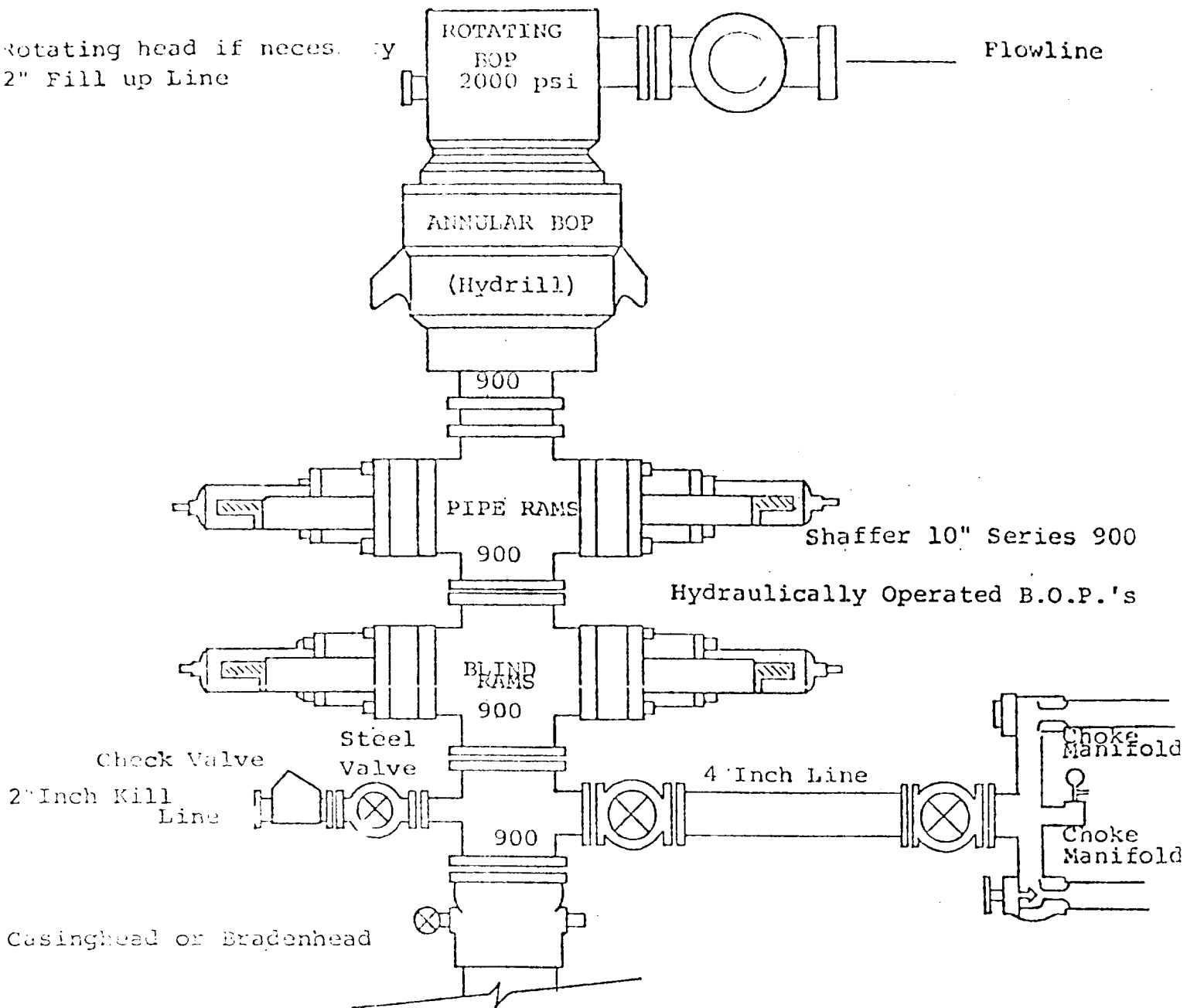
Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.

NM PE&LS NO. 5412

Rotating head if neces. by
2" Fill up Line



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.
10. D. P. float must be installed and used below zone of first gas intrusion.