

UNITED STATES
DEPARTMENT OF THE INTERIOR
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 ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 South Fourth Street - Artesia, NM 88210

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

At surface

990' FNL and 2310' FWL

At proposed prod. zone

Same

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

Approximately 20 miles southeast of Artesia, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

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

3510' GR

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	Approx. 365'	Circulate
7-7/8"	5-1/2"	14#	TD	Circulate

We propose to drill and test the Metex and intermediate formations. Approximately 365' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Fresh water to 365', 10# brine to TD; mud up with salt gel starch at TD.

BOP PROGRAM: BOP's will be installed at the offset 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

Clifton R. May

TITLE

Regulatory Agent

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

**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 West Loco Hills Unit 10 A		Well No. 8
Unit Letter C	Section 3	Township 18 South	Range 29 East	County Eddy	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 990 feet from the North line and 2310 feet from the West line </div>					
Ground Level Elev. 3510.	Producing Formation Loco Hills Pm	Pool Loco Hills, Garza, Garza, Shaw	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?

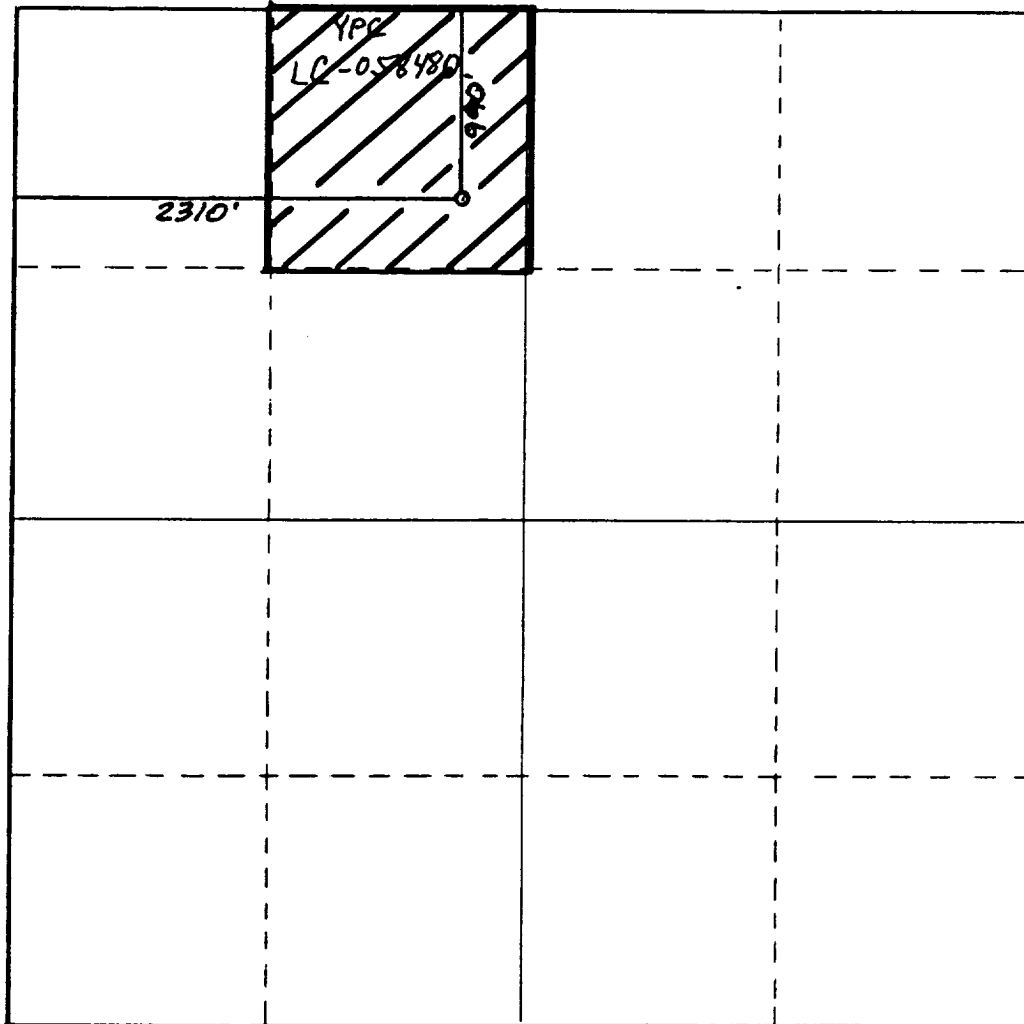
**RECEIVED BY
FEB 27 1986**

**O.I.C.D.
ARTESIA, OFFICE**

☐ 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

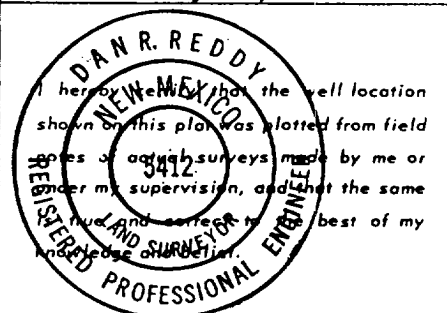
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Clifton R. May
Name
Clifton R. May

Position
Regulatory Agent

Company
Yates Petroleum Corporation

Date
February 10, 1986



Date Surveyed
February 4, 1986

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

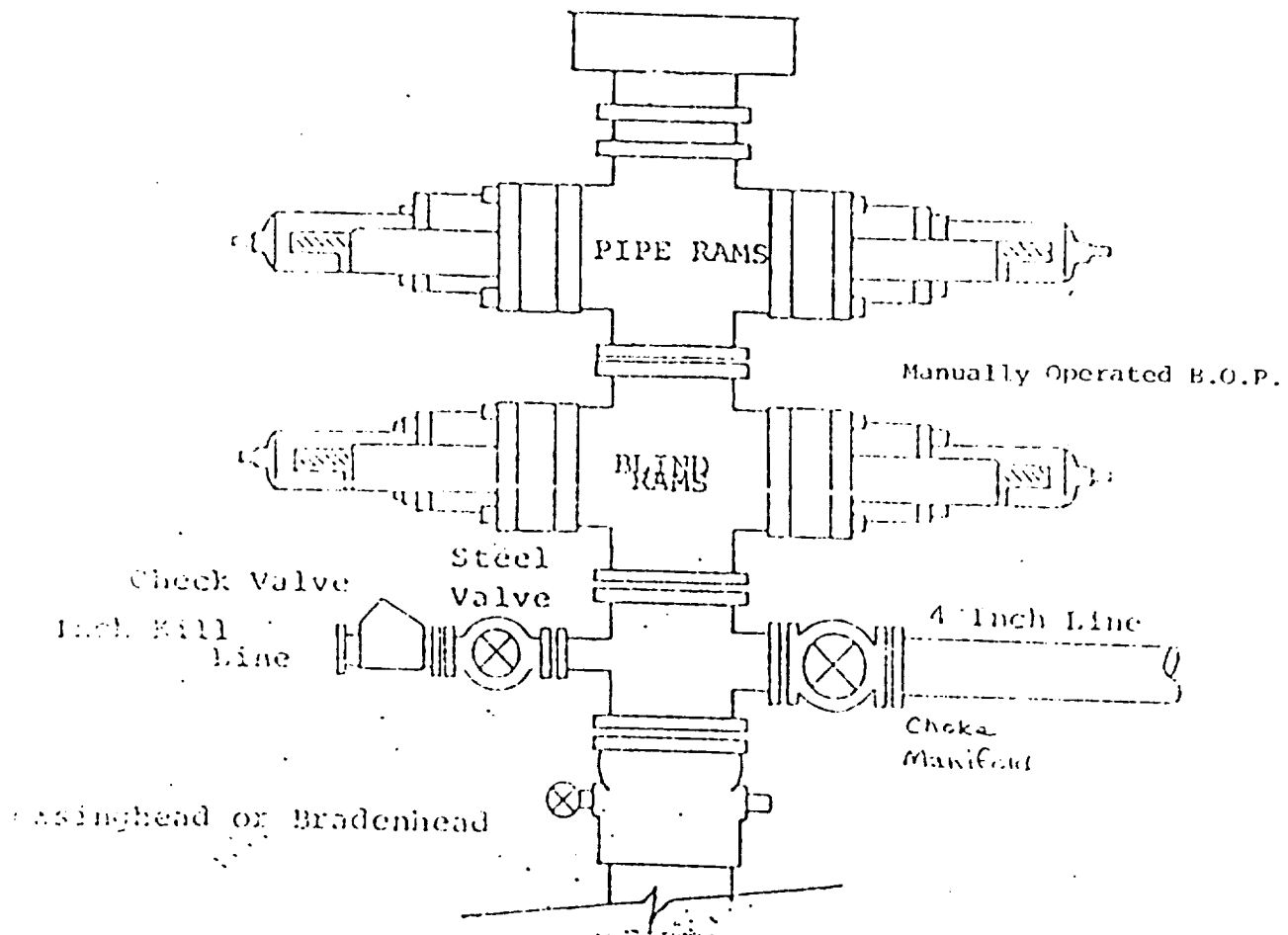
NM PE&LS NO. 5412

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

EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



YATES PETROLEUM CORPORATION
West Loco Hills Unit 10A #8
990' FNL and 2310' FWL of
Section 3-T18S-R29E
Eddy County, New Mexico

In conjunction with Form 9-331C. Application for Permit to Drill subject well Yates Petroleum Company submits the following ten items of pertinent information in accordance with BLM requirements

1. The geologic surface formation is sandy loam.
2. The estimated tops of geologic markers are as follows

Top of Salt	385'
Base of Salt	840'
Seven Rivers	1510'
Queen	2055'
Grayburg	2435'
Loco Hills Pay	2585'
Metex	2700'
TD	3000'

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

Water: 100-300'

Oil or Gas: 2585-2700'

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: Kelly Cock: pit level indicators and flow sensor equipment; sub with full-opening valve on floor drill pipe connection.
8. Testing Logging and Coring Program:
 - Samples: 10' samples from 1000' to TD
 - DST's: As warranted
 - Coring: None
 - Logging: Sidewall Neutron Log. Dual Laterolog from TD to 2000' with Gamma Ray to surface
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

