Form: 3160-3 (November 1983) (formerly 9-331C)	DEPARTMEN BUREAU OF	ED STATES	NT -	8 ON	50-015-26218 Form approved. Budget Bureau No. 1004-0136 Expires August 31, 1985 5. LEASE DEBIGNATION AND BENIAL NO. NM-33437 RECEIVED 6. IF INDIAN, ALLOTTER OF TRIBE NAME
	FOR PERMIT	O DRILL, DEER	PEN, OR PLUG B		
IA. TYPE OF WORK DRIL	LX	DEEPEN 🗌	PLUG BAG	СК 🗌	7. UNIT AGREEMENT NAME OCT 24 89
b. TYPE OF WELL OIL QAE WELL X WE	· []		SINGLE MULTIP	LE [7]	8. FARM OR LEASE NAME O. C. D.
WELL X WE	LL OTHER				PMS 8 Federal ARTESIA, OFFICE
Harvey E.	ates Company				9. WELL NO.
3. ADDRESS OF OPERATOR	D22 Boswoll	New Mexico 88	202		#4 10. JIELD AND POOL, OB WILDCAT
4. LOCATION OF WELL (Rej At surface	port location clearly and	New Mexico 88	State requirements.*)		North Shugart-Bone Springs
1 980	N & EL	1-	1 (11. SEC., T., R., M., OR BLK. And Survey or Area
At proposed prod. sone	880 / NX 19	30' / E			Sec. 8, T185, R31E
14. DISTANCE IN MILES AN	Same Dibection FROM NEA	REST TOWN OR POST OFFI	CE*		12. COUNTY OR PARISH 13. STATE
<u>9 miles SE</u>	of Loco Hills	New Mexico		1.17 110	Eddy NM
13. DISTANCE FROM PROPUB LOCATION TO NEAREST PROPERTY OR LEASE LI			NO. OF ACRES IN LEASE		His will 4()
(Also to nearest drig. 18. DISTANCE FROM FROPO	unit line, if any)	660	320 PROPOSED DEPTH	20. BOTA	RY OB CABLE TOOLS
TO NEAREST WELL, DR OR APPLIED FOR, ON THIS	ILLING, COMPLETED,	1320	8600		Rotary
21. ELEVATIONE (Show whet 3696.0 GL	her DF, RT, GR, etc.)				22. APPROX, DATE WORK WILL START* ASAP
23.		PROPOSED CASING AL	ND CEMENTING PROGRA	м	
SIZE OF HOLE	BIZE OF CABING	WEIGHT PER FOOT	SETTING DEPTH		QUANTITY OF CEMENT
17 1/2	13 3/8	54.5	350	The second se	<u>to surface</u>
12_1/4	8 5/8	24 & 32	<u>2050</u> 8600	<u>Circ</u>	<u>to surface</u> above pay
7 7/8	5 1/2	17	8000	000	
					lei
MUD	DOCD AM.				22
MUD P	ROGRAM:				\mathbf{O}
	- 350 FW w/p				
	- 2050 Brine	water			
2050	- 8600 FW mud				
					E IN
	. 199920 T TJ	<i>1</i> P			Rosper 2
	HE CIREMENTS A	(D)			202 51 - 1- 6
	STIPULATIONS				APPA
ALTAGLE					
IN ABOVE SPACE DESCRIBE zone. If proposal is to d preventer program, if any	rill or deepen direction	proposal is to deepen or ally, give pertinent data	plug back, give data on p on subsurface locations a	resent proc nd measure	ductive mone and proposed new productive and true vertical depths. Give blowout
24.					
BIGNED T.M.	NM	Young TITLE	<u>Drilling Superir</u>	itenden	t10/5/89
(This space for Feder	al or State office use)				
PERMIT NO.			APPROVAL DATE		
PERMIT 80.		. 4.	1. 1. 1. 1 . 1.		DATK 10-23 54
APPROVED BY CONDITIONS OF APPROVA	L. IF ANY :	TITLE			DATE
CONDITIONS OF AFFRONS					

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jury factors.

Submit to Appropriate District Office
State Lease - 4 copies Fee Lease - 3 copies
Fee Lease - 3 copies

State of New Mexico

Form C-102

CHN W

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tate Lease - 4 copies		s and Natural Resources Departm	RE	RECEIVED	
Lease - 3 copies <u>RICT J</u> Box 1980, Hobbs, NM 88240		P.O. Box 2088	N O IO		
RICT II	Santa Fe,	, New Mexico 87504-2088		11 10 AM '89	
Drawer DD, Artesia, NM 88210 <u>RICT III</u> Rio Brazos Rd., Aztec, NM 87410		AND ACREAGE DEDICATION be from the outer boundaries of the se	CARLE N PLA ⁴ REA HE, ction	RCE	
rator		Lease		Well No.	
Harvey E. Yate	es Co.	PMS 8 Federal		4	
Letter Section	Township	Range	County	t' d daa	
G 8 al Footage Location of Well:	18 South	31 East	NMPM	Eddy	
	north line and	d 1980	feet from the east	line	
ad level Elev. Producing	g Formation,	Pool		Dedicated Acreage:	
696.0' BANK	Sonne	pencil or hachure marks on the plat below		40 Acres	
unitization, force-pooling, etc Yes If answer is "no" list the owner this form if neccessary.	2.7 No If answer is "yes" and tract descriptions which ha	the well, have the interest of all owners b type of consolidation ave actually been consolidated. (Use reve	rse side of		
No allowable will be assigned to or until a non-standard unit, elir	o the well until all interests have	e been consolidated (by communitization,	unitization, forced-poc	ling, or otherwise)	
 	• • ••••••••••••••••••••••••••••••••••	0 0 0 0 0 0 0 0 0 0 0 0 0 0	I here contained he best of my in Signature Dan Gi Printed Name Contra Position	cts Administrator E. Yates Company	
			l hereby ce on this pla actual surv supervison, correct to belief Date Survey	25, 1989	
				NO. JOINTY WEST, MO. JOINTY WEST, MO. 3239	

<u>Application</u>

HARVEY E. YATES COMPANY PMS 8 Federal #4 Sec. 8, T18S, R31E Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill the Subject well in Section 8, Township 18 South, Range 31 East, Eddy County, New Mexico, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with Bureau of Land Management requirements:

- 1. The geologic surface formation is quaternary allunium and bolson deposits and other surficial deposits.
- 2. The estimated tops of geologic markers are as follow:

Rustler	525 ′	Grayburg	3550 ′
Yates	1950 ′	San Andres	3930 ′
Seven Rivers	2360′	Delaware Sd	44201
Bowers	2805 ′	Bone Springs	5060 ′
Queen	3060′	TD	8600 ′
Penrose	3270 ′		

3. We do not anticipate finding water but have listed the formation in which we anticipate finding oil or gas.

Bone Spring 5060'

- 4. Proposed casing program: See Form 3160-3. HEYCO will be running some used casing when applicable.
- Pressure control equipment: See Exhibit C. Although the rig equipment is 3M rated, this well will be a 2M PSI rating.
- 6. Mud program: See Form 3160-3.
- 7. Auxiliary equipment: Blowout preventer
- 8. Testing, logging and coring programs: We do not plan to core or DST. The planned logs are C-ND w/GR and Caliper and DLL-MSFL.
- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible.

SURFACE USE PLAN

HARVEY E. YATES COMPANY PMS 8 Federal #4 Sec. 8, T18S, R31E Eddy County, New Mexico

1. EXISTING ROADS:

Exhibit A is a portion of a New Mexico Map showing the location of the proposed well. The location is approximately 30 miles east of Artesia, New Mexico. Leave Artesia on U.S. Highway 82 and travel east to State Highway 222. Turn south on 222 and travel 3 miles. Turn west and travel 1/4 mile. Turn south and travel 1/4 mile to new location.

2. PLANNED ACCESS ROADS:

We plan to use the existing roads as far as possible. We will build approximately 1300 ft of new road to reach the proposed location. The running surface will be 14' wide, built with 6" of compacted caliche.

3. LOCATION OF EXISTING WELLS:

Exhibit B is a plat showing existing wells and their locations.

4. LOCATIONS OF TANK BATTERIES, ETC .:

In the event we drill a producing well, all production equipment will be located at Unit A, Sec. 8, T18S, R31E.

5. LOCATION AND TYPE OF WATER SUPPLY:

Water will be from commercial sources, either hauled or pipelined.

6. SOURCE OF CONSTRUCTION MATERIAL:

We will use caliche from the reserve pit area to build the road and location.

7. METHODS OF HANDLING WASTE DISPOSAL:

Waste will be buried in reserve pits at a depth of 36". The wellsite will be cleaned of all waste and this will be done within 30 days after completion of the well.

8. ANCILLARY FACILITIES:

None required.

- 9. WELLSITE LAYOUT:
 - A. Exhibit D shows the relative location and dimensions of the well pad, reserve pits and major rig components.
 - B. The land is relatively flat with sandy soil and sand dunes.
 - C. The pad and pit area have been staked.
- 10. PLANS FOR RESTORATION OF THE SURFACE:
 - A. After finishing drilling and/or other completion operations, all equipment and other materials not needed for further operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the wellsite as pleasant in appearance as possible.
 - B. If the proposed well is nonproductive, all restoration and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as quickly as possible. All pits will be filled and levelled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. The surface and minerals are Federal land.
- B. The topography consists of sandy soil with native grasses, catclaw, etc. No wildlife was observed, but the usual inhabitants of this region are jackrabbits, reptiles, coyotes, etc.
- C. There are no ponds, lakes, streams or rivers in this area.
- D. An Archaeological Survey has been made and copy has been sent to your Carlsbad office. There is no evidence of any significant archaeological, historical or cultural sites in the area. Also, there are no occupied dwellings or windmills.

12. OPERATOR'S REPRESENTATIVES:

The field representatives responsible for assuring compliance with the approved surface use and operations plan are:

Micky Young Harvey E. Yates Company P. O. Box 1933 Roswell, New Mexico 88201 Office: 505/623-6601 Mobil: 505/624-1818 #840 Curtis Tolle Harvey E. Yates Company P. C. Box 1933 Roswell, New Mexico 88201 Office: 505/748-2435 Mobil: 505/624-1818 #837

13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Harvey E. Yates Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

October 5, 1989

N.M. Superintendent Drilling





'HIBIT C

Harvey E. Yates Co. PMS 8 Federal #4 1980'FE & NL Sec.8 T-18S R-31E Eddy Co., New Mexico



E SIT D

Harvey E. Yates Co. PMS 8 Federal #4 1980'FN & EL Sec.8 T-18S R-31E Eddy Co., New Mexico

