

Artesia, DD

ARTESIA, NEW MEXICO

UNITED STATES

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

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

INJECTION

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation ✓

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, New Mexico 88210

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

At surface

2408' FNL and 440' FEL

At proposed prod. zone

Same

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

Approximately 5 miles southwest of Loco Hills, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

440'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

800'

16. NO. OF ACRES IN LEASE

200.00

19. PROPOSED DEPTH

2950'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

3524' GR

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 or K-55	370'	Cement to surface
7 7/8"	5 1/2"	15.5# J or K-55	2950'	Cement to surface

Yates Petroleum Corporation proposes to drill a well for injection of CO₂ into the West Loco Hills Grayburg #4 sand formation. Approximately 370' of surface casing will be set and cement will be circulated to surface. Approximately 2950' of production casing will be run and perforated.

MUD PROGRAM: Fresh Water and Native mud to 370'. Brine to TD.

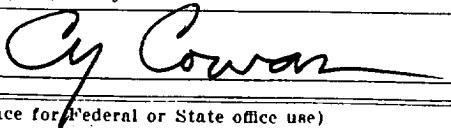
BOP Program: BOP will be installed at the OFF set and tested daily.

APR 16 1 18 PM '93
CARRIZO
AREA
RECEIVED

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 Land Technician

DATE 4/1/93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

(DDIG. SGD.) RICHARD L. MANUS

TITLE

AREA MANAGER

DATE

5/12/93

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND

SPECIAL STIPULATIONS

ATTACHED

*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 jurisdiction.

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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

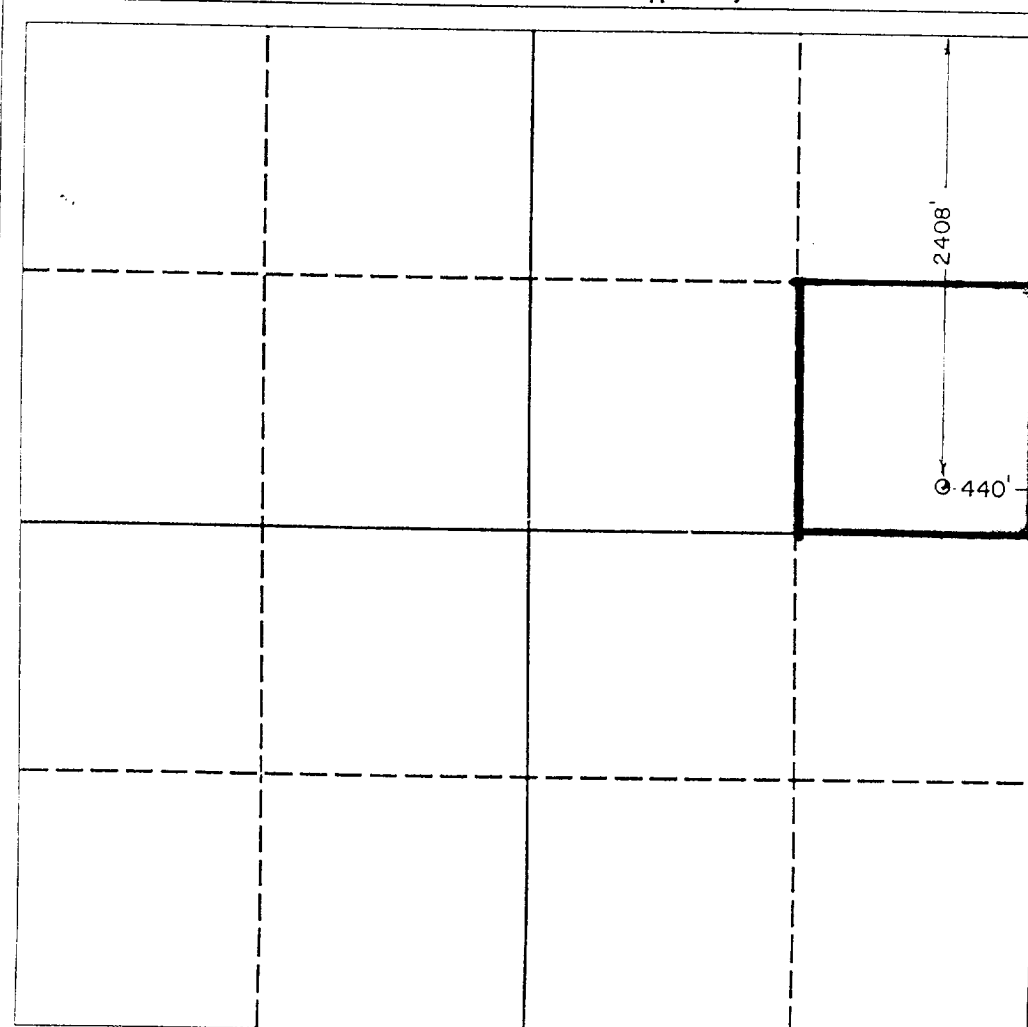
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease WEST LOCO HILLS UNIT TRACT 13		Well No. 12
Unit Letter H	Section 12	Township 18 SOUTH	Range 29 EAST	County NMPM EDDY	
Actual Footage Location of Well: 2408 feet from the NORTH line and 440 feet from the EAST line					
Ground level Elev. 3524	Producing Formation Grayburg #4 SAND			Pool Locohills Queen Grayburg San Andres	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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☒ Yes ☐ No If answer is "yes" type of consolidation Unitization
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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

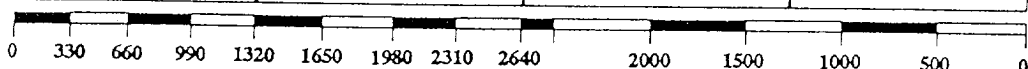
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature Cy Cowan
Printed Name Cy Cowan
Position LAND TECHNICIAN
Company Yates Petroleum Corp
Date 4/14/93

SURVEYOR CERTIFICATION

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 3/31/93
Signature & Seal of Professional Surveyor
L. JONES
3640
Certificate No. 3640



YATES PETROLEUM CORPORATION
West Loco Hills G4S Unit Tract #13 Well #12
2408' FNL and 440' FEL
Section 12-T18S-R29E
Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

1. The geological surface formation is Sandy Alluvium:
2. The estimated tops of geologic markers are as follows:

Top of Salt	381'
Base of Salt	1,103'
Queen	2,289'
Grayburg #4 Sand	2,799'

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

Water:	320' - 350'
Oil or Gas:	2800'

4. Proposed Casing Program: See Form 3160-3.
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
6. Mud Program: See Form 3160-3.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.

YATES PETROLEUM CORPORATION
West Loco Hills G4S Unit Tract #13 Well #12
2408' FNL and 440' FEL
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Eddy County, New Mexico

8. Testing, Logging and Coring Program:

Samples: 10' samples from under surface casing to TD.

DST's: As warranted.

Coring: None anticipated.

Logging: GR-CNL, LDT TD to surface pipe. GR-CNL to surface. Cement bond log and casing collar log.

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
West Loco Hills G4S Unit Tract #13 Well #12
2408' FNL and 440' FEL
Section 12-T18S-R29E
Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM map showing the well and roads in the vicinity of the proposed location. The proposed well site is located approximately 5 miles southwest of Loco Hills, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

From Artesia, New Mexico, on Highway 82 travel east to Loco Hills, New Mexico. In Loco Hills turn south on County Road 217 for approximately 2.5 miles to intersection of County Roads 216 and 217. Turn south on County Road 216 for approximately 2 miles to cattle guard on road. Cross cattle guard, continue for approximately 2500'. Turn west and go approximately 300' to location .

2. PLANNED ACCESS ROAD

- A. Access to the location will be existing lease road. Access will be from the north side of the location.
- B. Access to the location is visible.

3. LOCATION OF EXISTING WELL

- A. There is drilling activity within one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are production facilities on this lease at the present time.
- B. This is an injector well. No production of oil or gas is anticipated.
- C. Flowlines for CO₂ + H₂O injection will come off the north side of the location to the existing flowline Right-of-Way for the Tract 13 #11 well. The lines will turn east and go approximately 900' to the south edge of the CO₂ Pilot Flood site. (See Exhibit E) Flowlines are 2" welded steel pipe and will be buried to a depth of no less than 36".

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed road shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Construction materials will be obtained from drillsite's excavations or from a local source.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES:

- A. None required.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location, the drilling equipment, rig orientation and access road approach.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.

11. SURFACE OWNERSHIP: Federal surface administered by the Bureau of Land Management.

12. OTHER INFORMATION:

- A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
- B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Cy Cowan, Land Technical
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

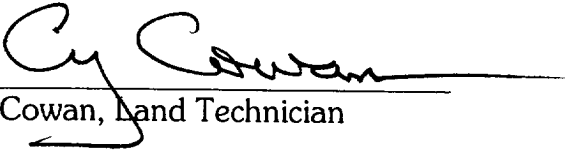
B. Through Drilling Operations,
Completions and Production:

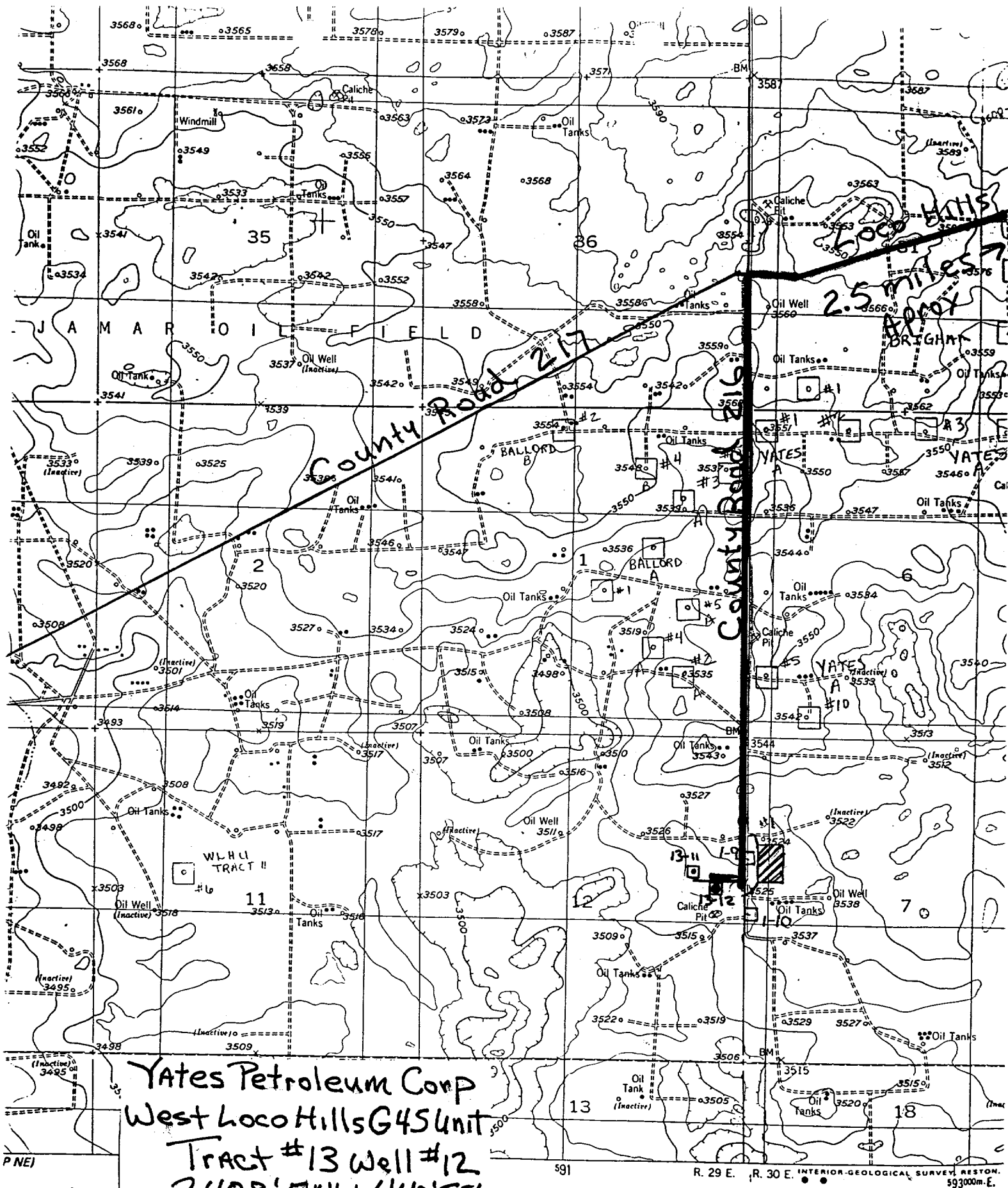
Mike Slater, Operations Manager
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in the plan are to the best of my knowledge, true and correct; and, that the work associated with the operator proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors 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.

April 14, 1993


Cy Cowan, Land Technician



Yates Petroleum Corp
 West Loco Hills G45 Unit
 Tract #13 Well #12
 2408' FNL + 440' FEL
 Sec 12 T18s R29E
 EDDY County
 NM
 Exhibit A

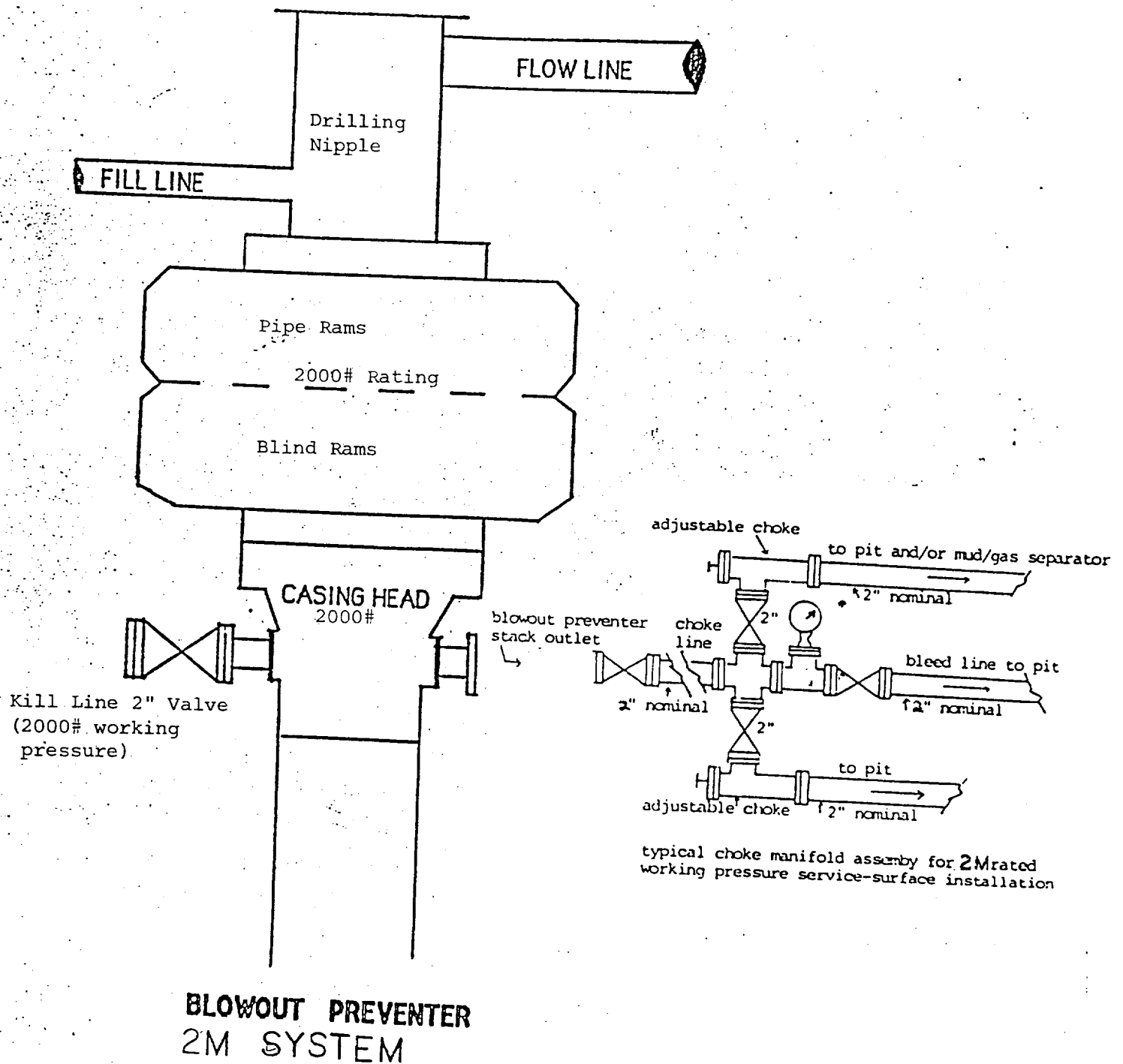
PNEJ

EET
 M OF 1929

MEXICO

ROAD CLASSIFICATION
 Heavy-duty ——— Light-duty
 Medium-duty ——— Unimprov
 U. S. Route State R

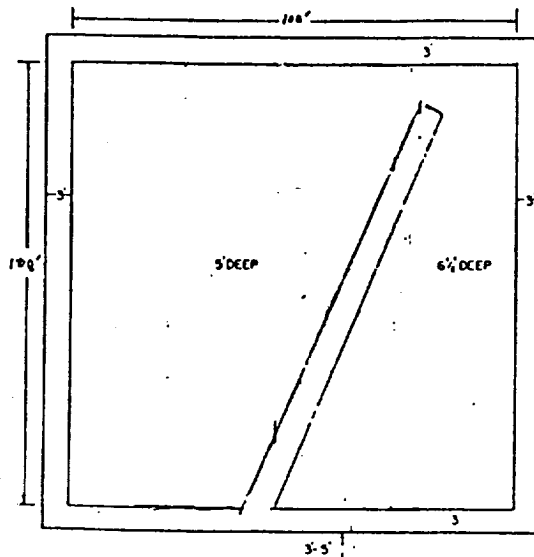
YATES
PETROLEUM
CORPORATION
Exhibit B



YATES PETROLEUM CORPORATION

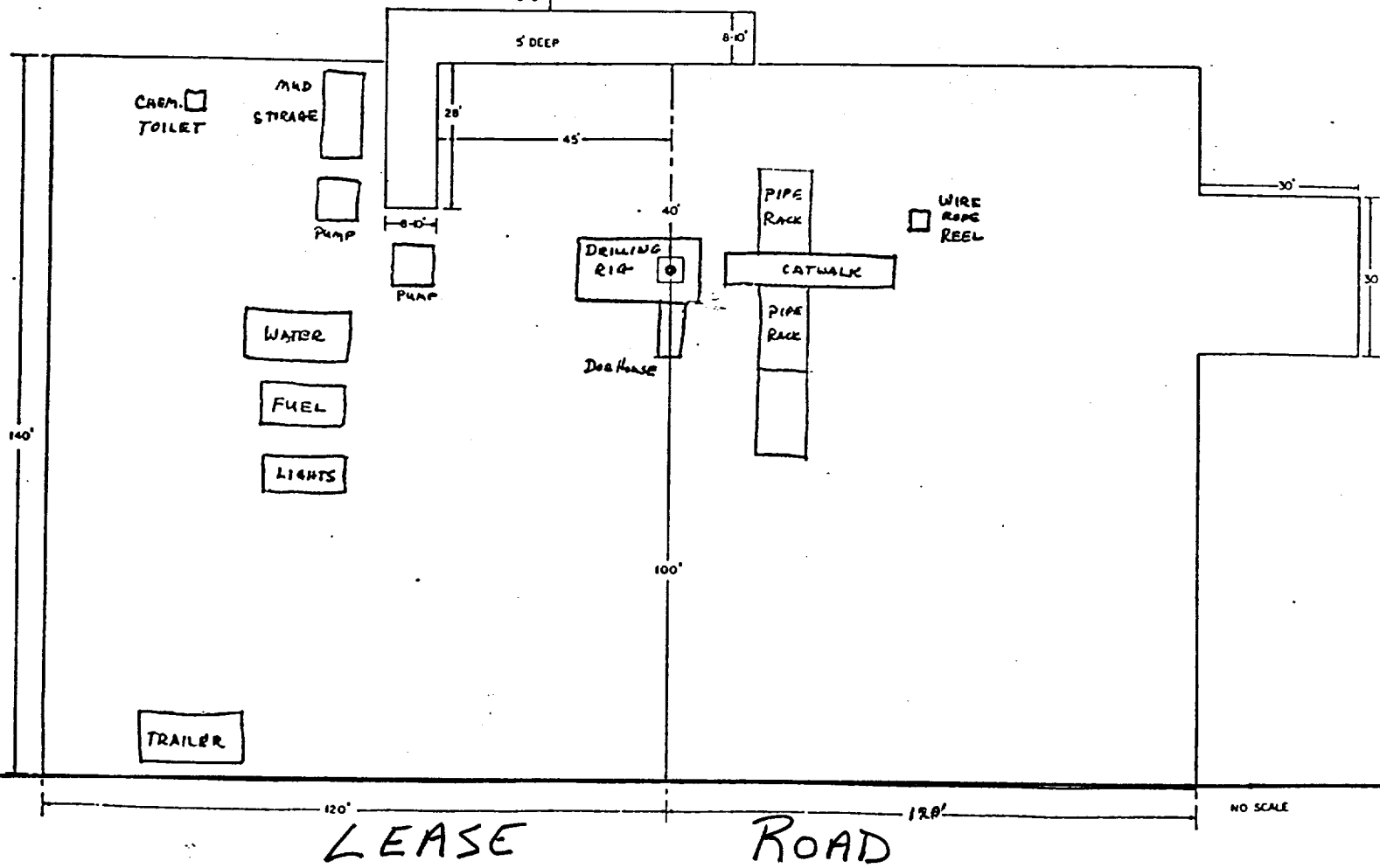
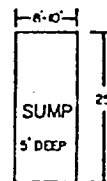
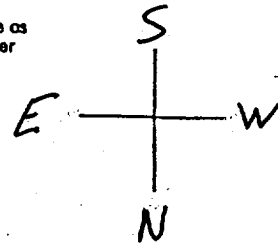
EXHIBIT C

Reserve Pit bottom
to be at ground level
to -111.

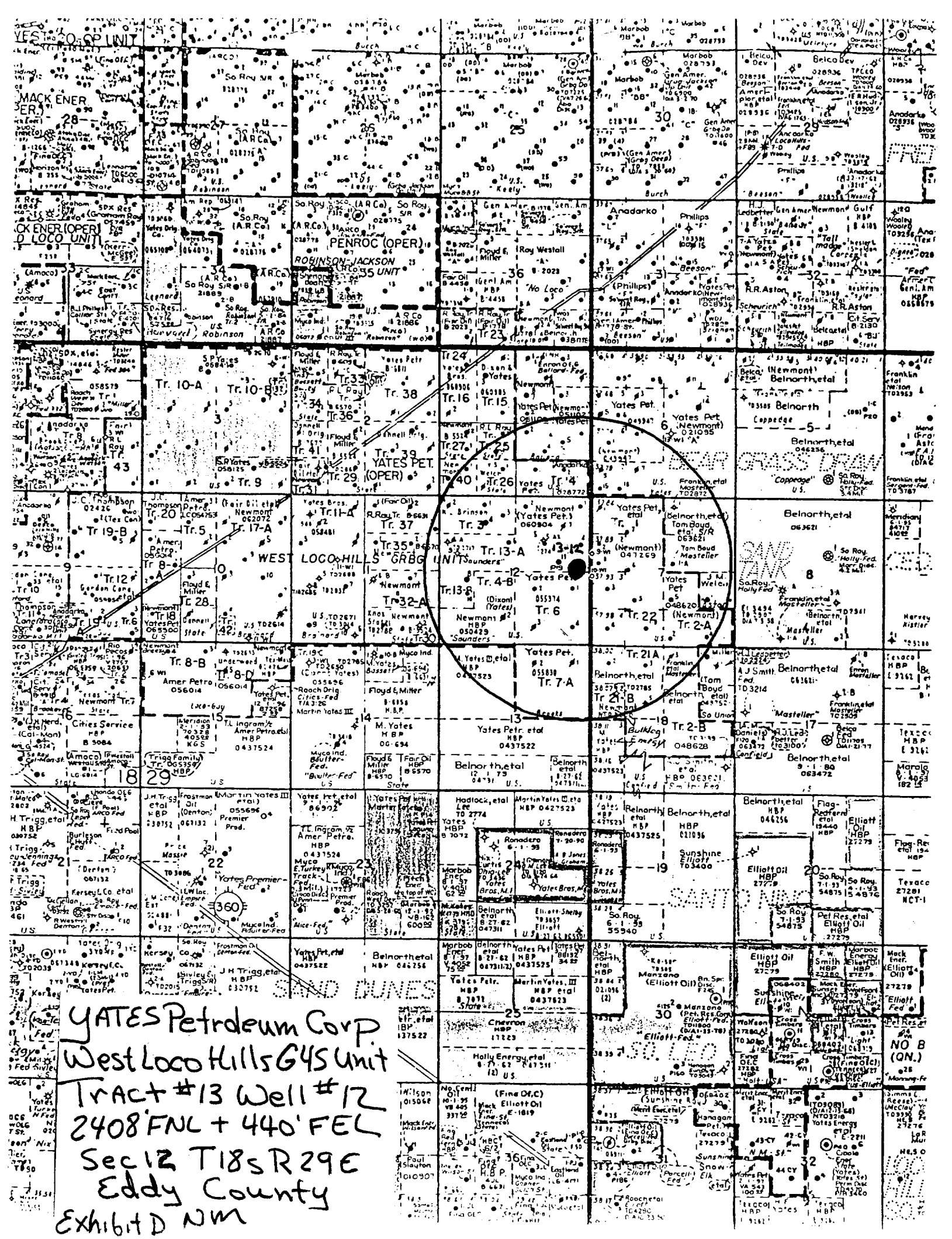


NOTE:

Inside walls must be as
high and wide as outer
walls of pit.



NO SCALE



YATES Petroleum Corp.
West Loco Hills G4S Unit
Tract #13 Well #12
2408 FNL + 440' FEL
Sec 12 T18s R29E
Eddy County
Exhibit D NM

