

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED MAY 26 1992

O. C. D.

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other RE -ENTER

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address and Telephone No.

104 South Fourth Street, Artesia, NM 88210

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec. 5-T20S-R24E
1998' FNL and 660' FEL; Unit H, SENE

5. Lease Designation and Serial No.

NM-39635

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

MIMOSA "AHS" FED No. 5

9. API Well No.

10. Field and Pool, or Exploratory Area

Undes. W. Dagger Draw Morro

11. County or Parish, State

Eddy

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other Re-Enter

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Application for Permit to Drill Attached

14. I hereby certify that the foregoing is true and correct

Signed

Title

Landman

Date

4-27-92

(This space for Federal or State office use)

Approved by

Title

Date

5/19/92

Conditions of approval, if any:

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 Re-enter

SINGLE
ZONE ☐RECEIVED ☐MULTIPLE
WELL ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, New Mexico 88290 C.D.

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

At surface

1998' FNL and 660' FEL; Unit H, SENE

At proposed prod. zone

Same

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

15 miles west of Lakewood, New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1998'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

9400'

20. ROTARY OR CABLE TOOLS

Rotary

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

3850' DF

Roswell Controlled Water Basin

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
	10 3/4"-in place		355'	425 sx - circulated
	8 5/8"-in place		1893'	350 sx - circulated
7 7/8"	5 1/2"	17# - 15.5#	TD	As warranted

This well was originally drilled by the Magnolia Petroleum Company as the Hamilton Federal #1 to a TD of 3592' in June of 1950. Yates Petroleum Corporation proposes to re-enter this well using a reverse unit and clean out the well the PBDT of 1817'. Test the original San Andres perms 1305-1390. Then clean out the hole to its original TD of 3592'. Rig down the pulling unit and move in a rotary drilling rig and deepen the well to a TD of 9400'. Proposes to test the Morrow and Intermediate formations. If commercial, production casing will be set and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW to 3592'; cut Brine to 7100'; S. Gel/Starch to TD.

BOPE PROGRAM: ³ⁿ BOPE will be installed on the 8 5/8" casing and tested daily for operational.

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

4-27-92

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

ENGINEER

DATE

5-19-92

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

[RE-ENTRY]

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

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease MIMOSA "AHS" FEDERAL		Well No. 5
Unit Letter H	Section 5	Township 20 SOUTH	Range 24 EAST	County EDDY	

Actual Footage Location of Well:

1998 feet from the NORTH line and 660 feet from the EAST line

Ground level Elev. 3850' DF	Producing Formation MORROW	Pool UNDES. W. DAGGER DRAW MORROW	Dedicated Acreage: 320 Acres
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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 _____
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

Clifton R. May

Printed Name

Clifton R. May

Position

Permit Agent

Company

YATES PETROLEUM CORPORATION

Date

April 27, 1992

SURVEYOR CERTIFICATION

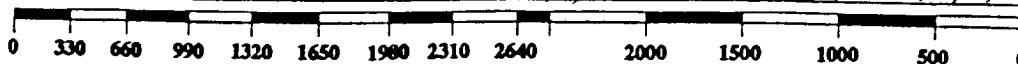
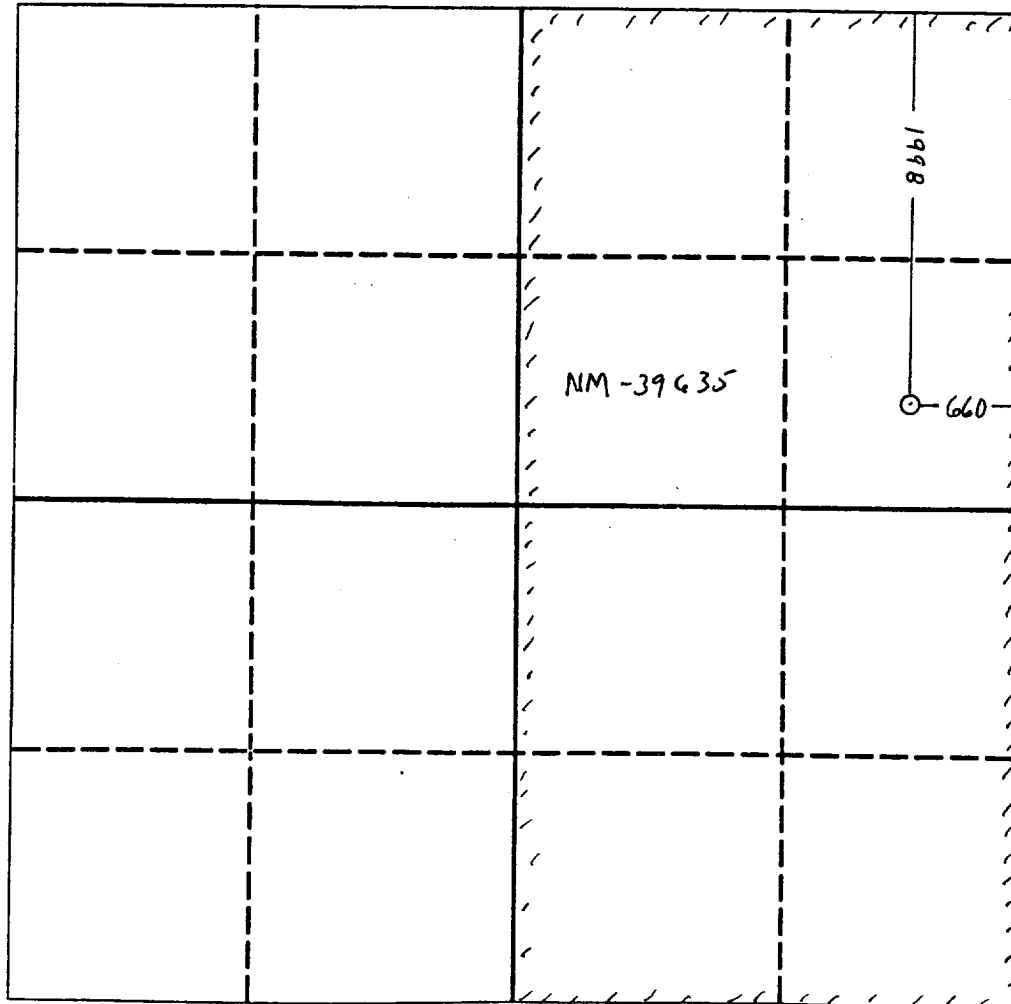
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Refer to Original Plat

Signature & Seal of
Professional Surveyor

Certificate No.



YATES PETROLEUM CORPORATION

**Mimosa "AHS" Federal #5
1998' FNL and 660' FEL
Section 5-T20S-R24E
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 BLM requirements.

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

San Andres	686'
Glorietta	1,740'
Yeso	1,956'
Tubb	3,313'
Abo	3,915'
Wolfcamp Lime	5,193'
Canyon Lime	7,373'
Strawn	8,028'
Atoka	8,531'
Morrow Clastics	8,921'
Chester Lime	9,216'
TD	9,400'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Approximately 150' to 250'
Oil or Gas:	San Andres, Abo, Lower Canyon, Morrow
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.
8. Testing, Logging and Coring Program:

Samples:	10' samples from new hole @ approx. 3600' depth to TD.
DST's:	As warranted.
Coring:	None
Logging:	CNL-LDT from TD to casing, with GR-CNL up to surface; DLL with RxO from TD to casing. LSS from TD to casing.
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

Mimosa "AHS" Federal #5

1998' FNL and 660' FEL

Section 5-T20S-R24E

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 wellsite is located approximately 15 miles west of Lakewood, New Mexico, and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go south out of Artesia on Carlsbad highway. Turn west on Rock Daisy Road (County road 23) and go approximately 11 miles. Turn north after cattleguard down the fence approximately 800'. New access will start here and go west approximately 550' to the SE corner of the pad.

2. PLANNED ACCESS ROAD

- A. The proposed new access will be approximately 550' in length from point of origin to the southeast edge of the drilling pad. The road will lie in a westerly direction.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side. No traffic turnout will be built.
- D. The route of the road is visible.

3. LOCATION OF EXISTING WELL

- A. There is drilling activity within a 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 no production facilities on this lease at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

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 roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

Private pit located in SE/4 of Section 35-T19S-R24E if additional material is needed.

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 of the drilling equipment, rig orientation and access road approach. A cross section of a drill pad with approximate cuts, fills and pad orientation is shown on Exhibit E.
- 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 levelled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the BLM 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: BLM (Carlsbad, NM)

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:

Clifton R. May, Permit Agent
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:

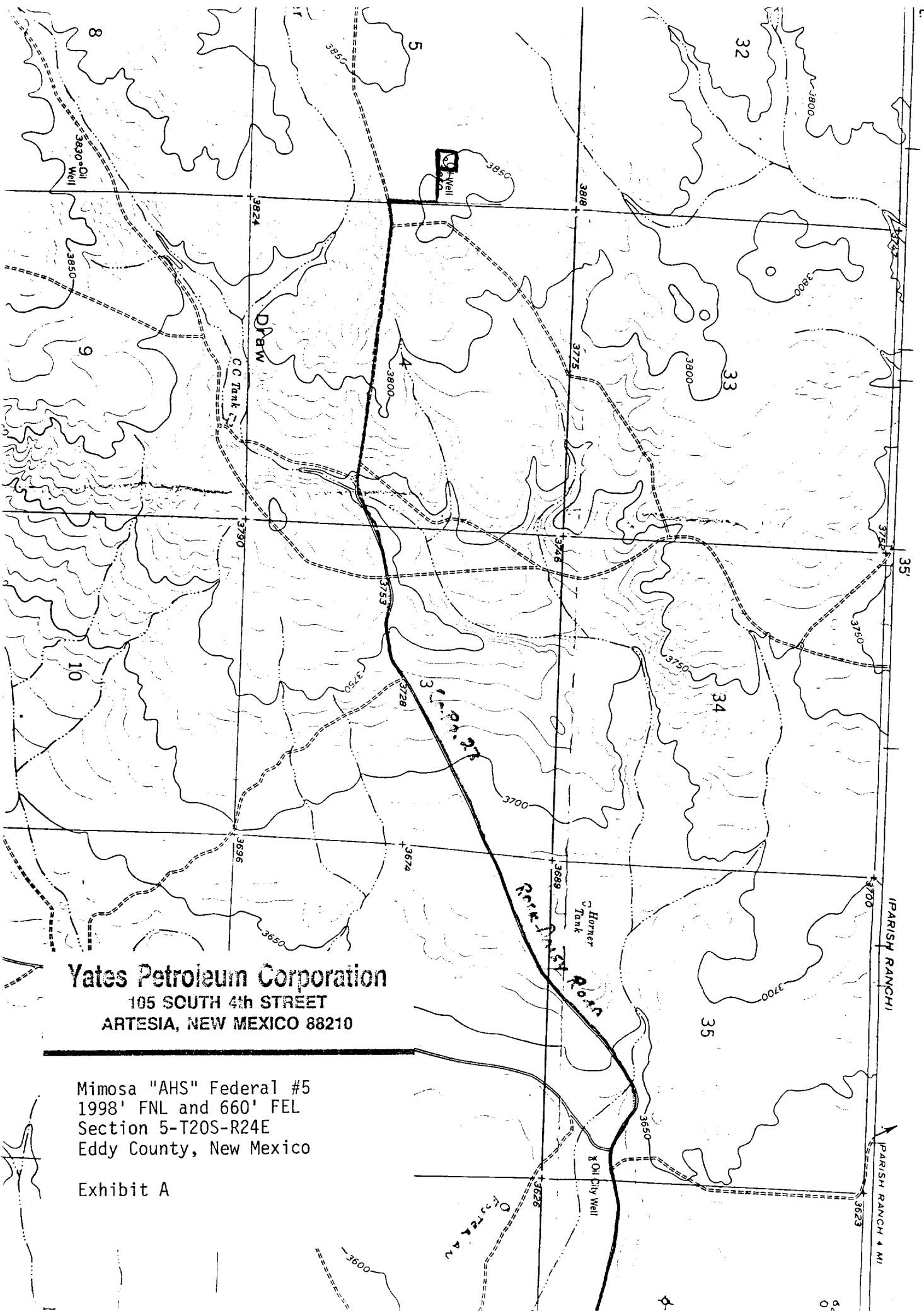
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated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

4-27-92

Date



Cy Cowan
Land Technician



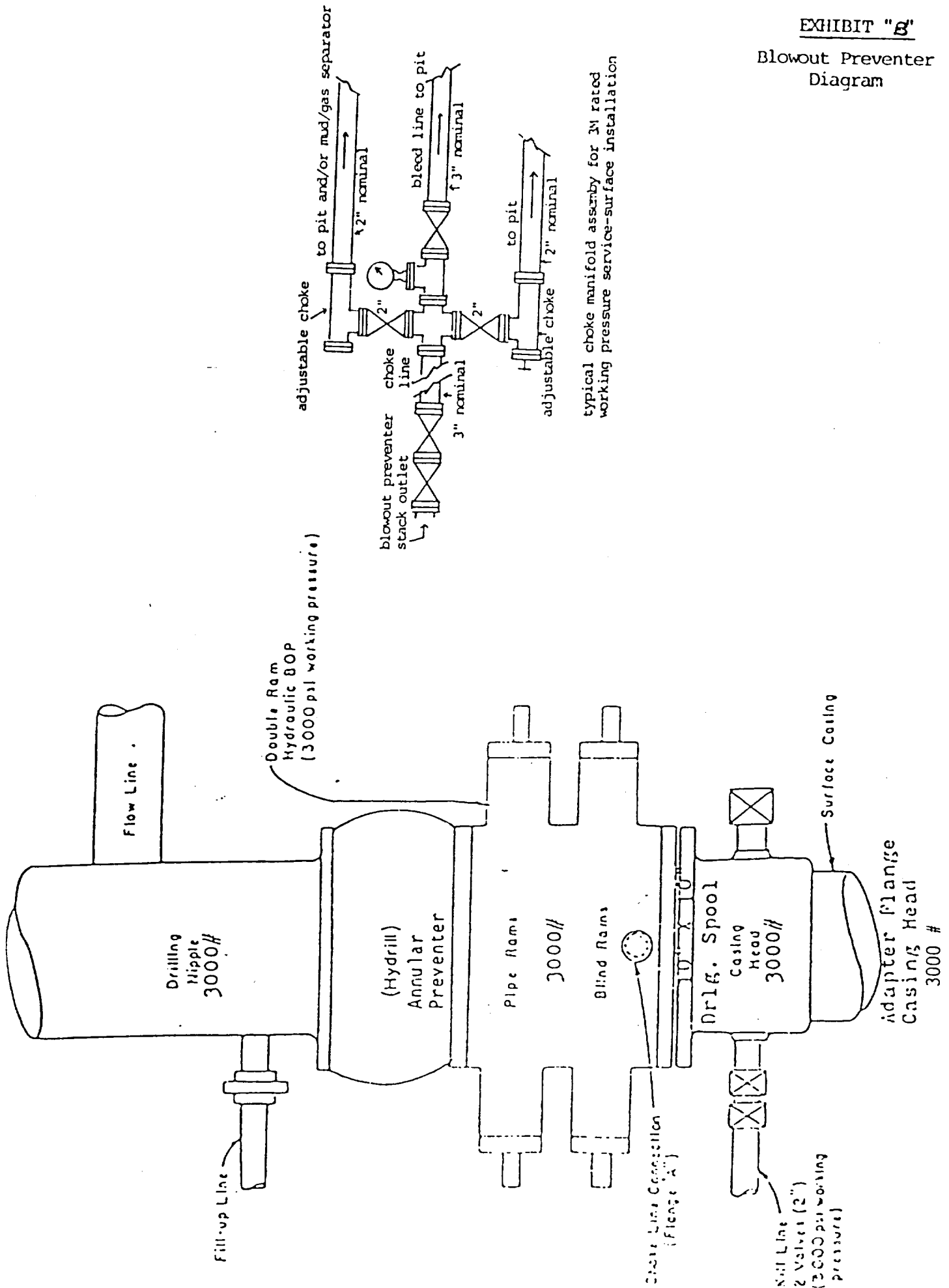
Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Mimosa "AHS" Federal #5
1998' FNL and 660' FEL
Section 5-T20S-R24E
Eddy County, New Mexico

Exhibit A

EXHIBIT "B"

Blowout Preventer Diagram



YATES PETROLEUM CORPORATION

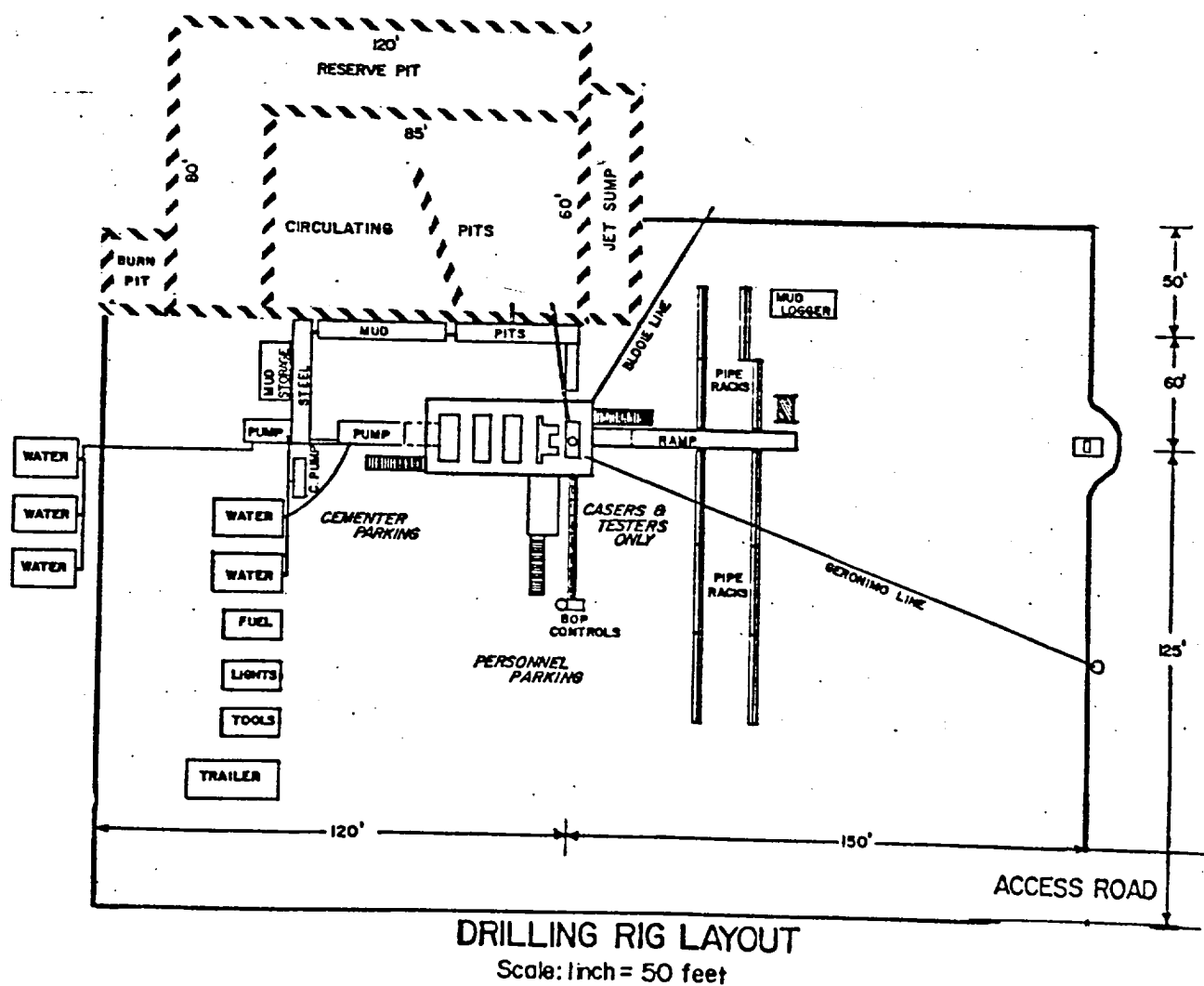
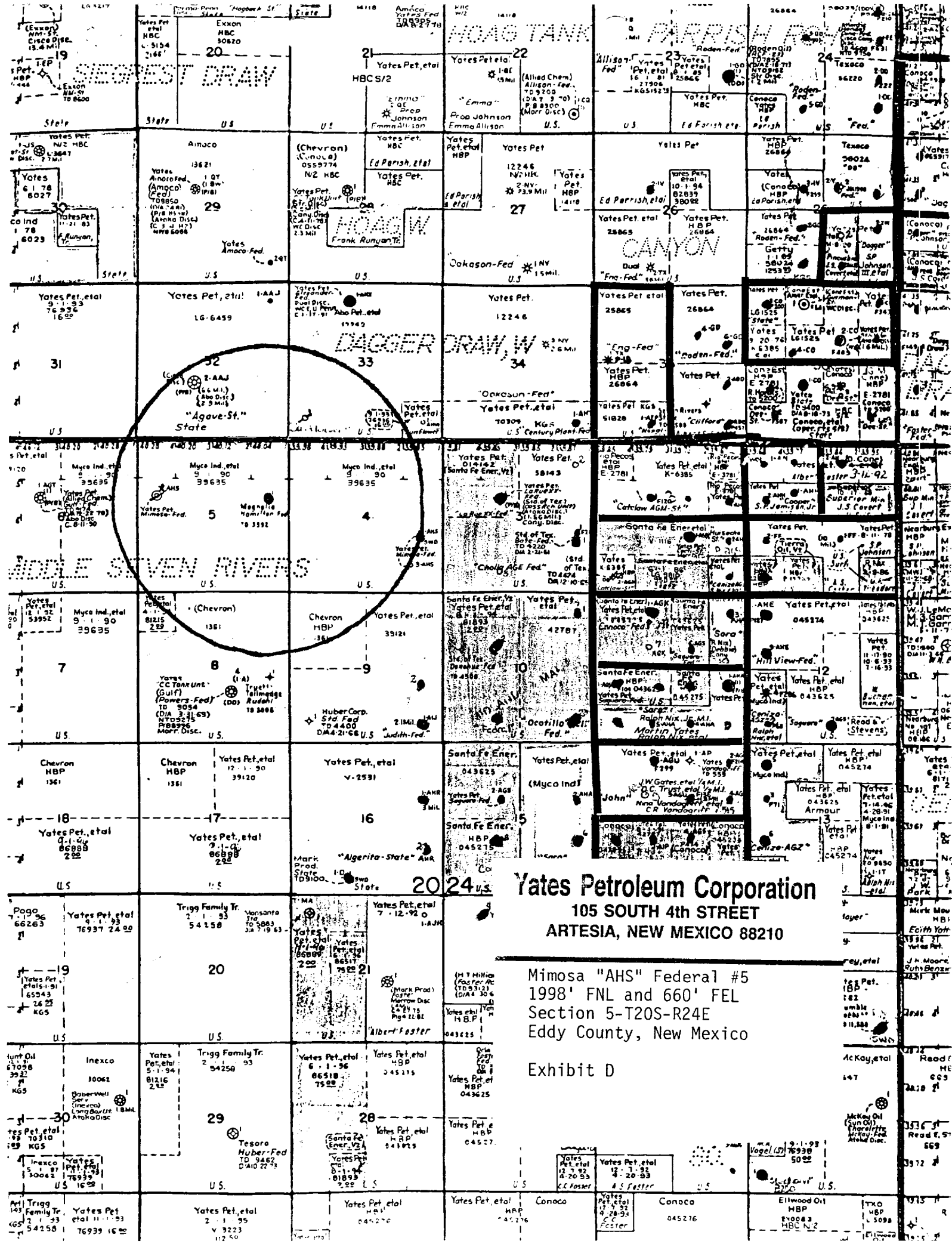


EXHIBIT C



Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Mimosa "AHS" Federal #5
1998' FNL and 660' FEL
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Exhibit D