

NO. OF COPIES RECEIVED	6
DISTRIBUTION	
SANTA FE	1
FILE	1
U.S.G.S.	2
LAND OFFICE	1
OPERATOR	1

NEW MEXICO OIL CONSERVATION COMMISSION

RECEIVED

AUG 31 1979

O. C. C.

ARTESIA, OFFICE

30-015-22995
Form C-101
Revised 1-1-65

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. L2919

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
2. Name of Operator Yates Petroleum Corporation		8. Farm or Lease Name SRC State KZ	
3. Address of Operator 207 South Fourth Street, Artesia, New Mexico 88210		9. Well No. 2	
4. Location of Well UNIT LETTER B LOCATED 660 FEET FROM THE North LINE AND 1980 FEET FROM THE East LINE OF SEC. 1 TWP. 19S RGE. 24E NMPM		10. Field and Pool, or Wildcat Undes.	
12. County Eddy			
19. Proposed Depth 9200'		19A. Formation Morrow	
20. Rotary or C.T. Rotary			
21. Elevations (Show whether DF, RT, etc.) 3675		21A. Kind & Status Plug. Bond Blanket	
21B. Drilling Contractor Landis Drilling Co.		22. Approx. Date Work will start As soon as approved	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17 1/2"	13 3/8"	48#	Approx. 400'	300 sx	Circulate
12 1/4"	8 5/8"	24#	Approx. 900'	500 sx	Circulate
7 7/8"	5 1/2" or 4 1/2"	15.5 - 17# 10.5 - 11.6#	Approx. 9200'	300 sx	

We propose to drill and test the Morrow and intermediate horizons. Will set approximately 400' surface casing to shut off gravel and caving, and will set intermediate casing at least 100' below the Artesian water zone, both strings to be circulated. If commercial will run 5 1/2" or 4 1/2" and cement with at least 600 ft. of cover.

MUD PROGRAM: FW gel & LCM to 900', water to 5100', Starch-Drispak-KCL to 8300' Flosal-Drispak - KCL to TD.

BOP PROGRAM: BOP's and hydril on 8 5/8" casing and tested, pipe rams tested daily, blind rams on trips; yellow jacket, pit level control and flow sensor.

APPROVED AND
FOR 90 DAYS UNLESS
DRILLING COMMENCED

GAS NOT DEDICATED.

EXPIRES 12-4-79

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Glenn L. Lutz Title Geoscientist Date 8/31/79

(This space for State Use)

APPROVED BY W. A. Gussitt TITLE SUPERVISOR, DISTRICT II DATE SEP 4 1979

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to
surface behind 13 3/8" + 8 7/8" casing

Notify N.M.O.C.C. in sufficient
time to witness cementing

8 5/8" casing

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.

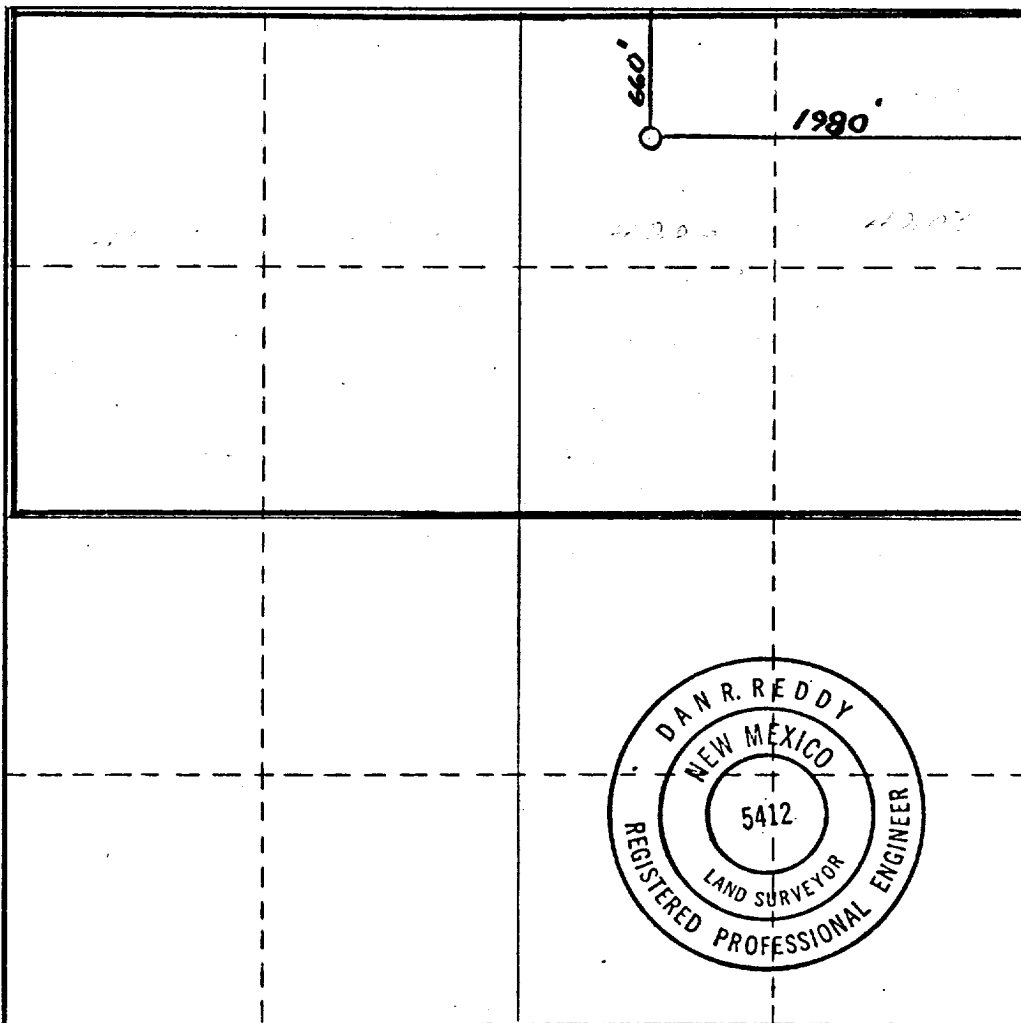
Operator Yates Petroleum Corporation			Lease SRC State KZ			Well No. 2		
Unit Letter B	Section 1	Township 19 South		Range 24 East	County Eddy			
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the East line								
Ground Level Elev. 3672	Producing Formation MORROW			Pool UNDES MORROW		Dedicated Acreage: 320.00 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 _____

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

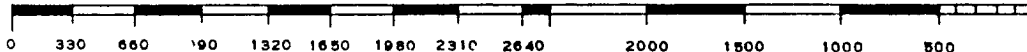
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

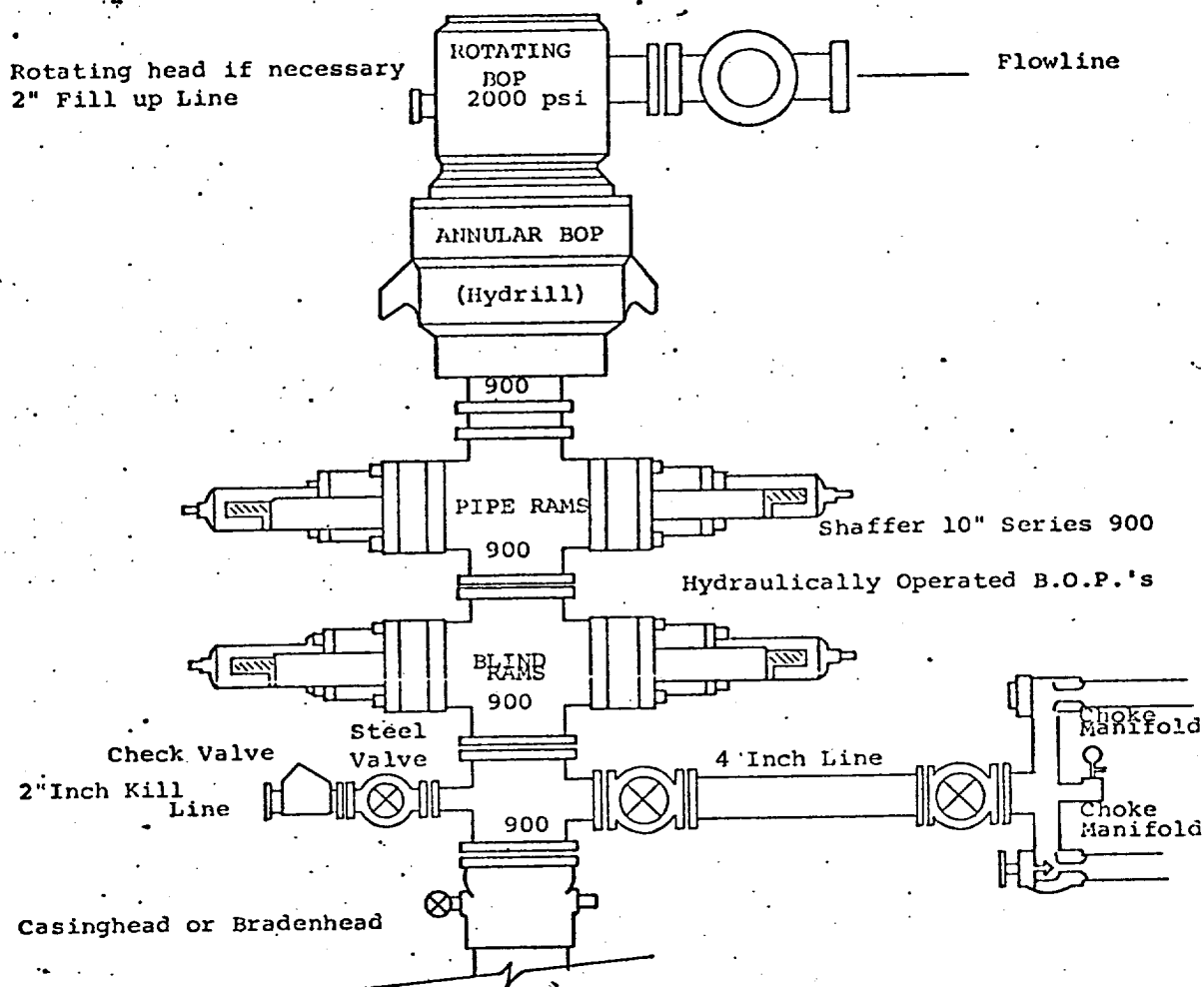
Gliserio Rodriguez
Name
GLISERIO RODRIGUEZ
Position
GEOGRAPHER
Company
YATES PETROLEUM CORP.
Date
8-30-79

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
August 30, 1979
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.





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. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.