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NEW MEXICO OIL CONSERVATION COMMISSION

JAN 28 1981

O. C. D.
ARTESIA OFFICE

30-015-23636

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.	
LG - 3998	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			
b. Type of Well		8. Farm or Lease Name	
OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		Hagback "PO" St. Cas	
2. Name of Operator		9. Well No.	
Yates Petroleum Corporation		1	
3. Address of Operator		10. Field and Pool, or Wildcat	
207 S. 4th Street, Artesia, NM 88210		Wildcat Morrow	
4. Location of Well		12. County	
UNIT LETTER C LOCATED 660 FEET FROM THE North LINE		Eddy	
AND 1980 FEET FROM THE West LINE OF SEC. 20 TWP. 19S RGE. 24E NMPM			
19. Proposed Depth		19A. Formation	
8800'		Morrow	
20. Rotary or C.T.		Rotary	
21. Elevations (Show whether DP, RT, etc.)		22. Approx. Date Work will start	
3764'		1-30-81	
21A. Kind & Status Plug. Bond		21B. Drilling Contractor	
Blanket		Moran #9 Rig	

The 40 acre lease expires 2-1-84

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TO
17 1/2"	13 3/8"	48#	Approx. 350	250 sx.	circulate
12 1/4"	8 5/8"	24#	Approx. 950	450 sx.	circulate
7 7/8"	5 1/2 or 4 1/2	15.5 - 17# or 10.5 - 11.6#	TD		

We propose to drill and test the Morrow and intermediate formations. Approx. 200' surface casing will be set and shut off gravel & casing, and intermediate casing will be set 100' below the Artesian Water Zone. If commercial will run 5 1/2" or 4 1/2" casing and cement with at least 600 ft. of cover.

MUD PROGRAM: FW gel & ICM to 1000', F. water to 6000', KCL-starch-driskak to 8000' driskak - KCL to TD.

BOP PROGRAM: BOP's on 8 5/8" and tested daily for operational.

GAS NOT DEDICATED:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 7-29-81
UNLESS DRILLING UNDERWAY

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 [Signature] Title Geographer Date 1-25-81

(This space for State Use)

APPROVED BY W. A. Gussett TITLE SUPERVISOR, ARTESIA OFFICE DATE JAN 29 1981

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to surface behind 13 3/8" & 8 5/8" casing

Notify N.M.O.C.C. in sufficient time to witness cementing the 8 5/8" casing

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-101
Effective 1-1-80

All distances must be from the outer boundaries of the Section.

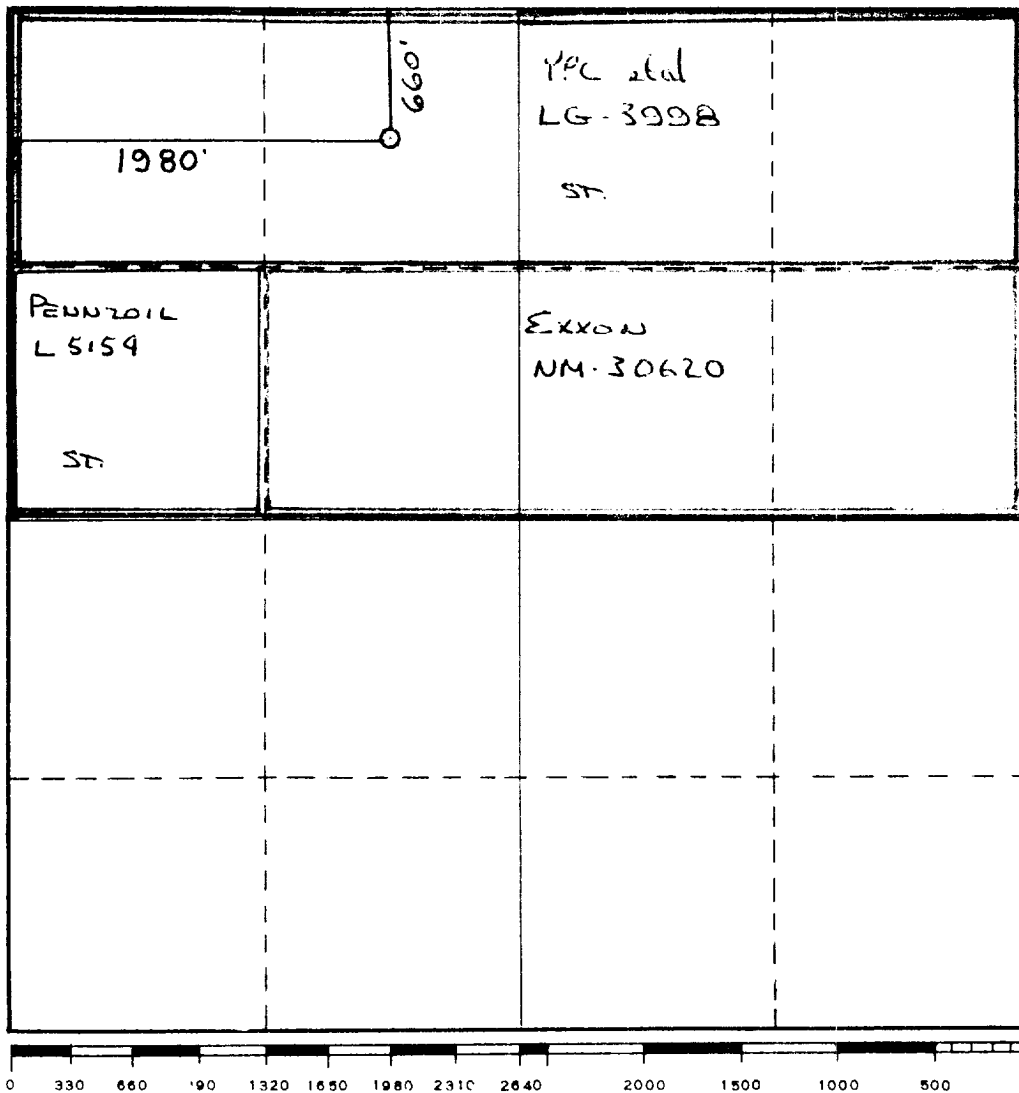
Operator Yates Petroleum Corporation			Lease Hogback "PO" St. Com.		Well No. 1
Unit Letter C	Section 20	Township 19S	Range 24E	County Eddy	
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line					
Ground Level Elev. 3764	Producing Formation MORROW		Pool WILDEAT MORROW	Dedicated Acreage: 320 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 COMMUNITIZATION

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.

Shirley Rodriguez
Name

SHIRLEY RODRIGUEZ
Position

GEOGRAPHER
Company

YATES PETROLEUM CORP
Date

1-24-81

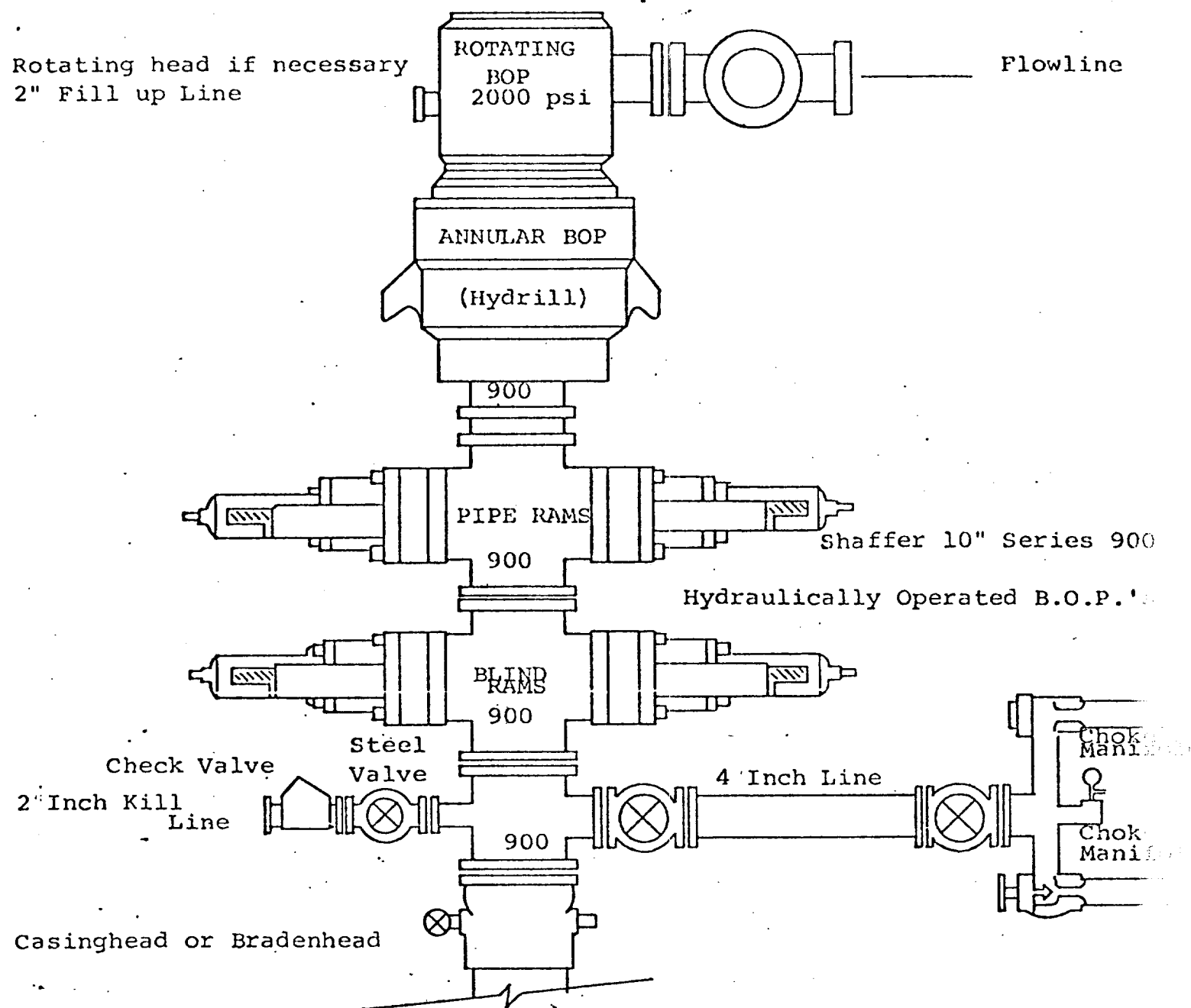
I hereby certify that the well location shown on this plat was plotted from field notes of such surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
1-24-81

Registered Professional Engineer and/or Land Surveyor

San R. Reddy
Certificate No.

NMPE&LS #5412



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.