

UNITED STATES
DEPARTMENT OF THE INTERIOR

SEP 7 1982

GEOLOGICAL SURVEY

O.C.D.

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

SINGLE ZONE ☐MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 S. 4th St., Artesia, New Mexico 88210

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

At surface

1980' FSL and 990' FEL

At proposed prod. zone

same

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

25 miles SW of Artesia, New Mexico.

15. DISTANCE FROM PROPOSED*

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

990'

16. NO. OF ACRES IN LEASE

2560

17. NO. OF ACRES ASSIGNED
TO THIS WELL

32-

18. DISTANCE FROM PROPOSED LOCATION*

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

19. PROPOSED DEPTH

9100'

20. ROTARY OR CABLE TOOLS

Rotary

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

3662' GL

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
17 1/2"	13 3/8"	48# J-55	appr. 320'	300 sx circulated
12 1/4"	8 5/8"	24# J-55	960'	500 sx circulated
7 7/8"	4 1/2" or 5 1/2"	9.5# 15.5#	TD	400 sx

We propose to drill and test the Morrow and intermediate formations. Approximately 320' of surface casing will be set and cement circulated to shut off gravel and caving. Intermediate casing will be set 100' below the Artesia Water Zone. If commercial, production casing will be run and cemented with adequate cover, perforate, and stimulate for production.

MUD PROGRAM: FW gel and LCM to 960', fresh water to 4000', 2% KCL water to 6300', starch-driskak-KCL to 8200', starch-driskak-KCL to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED.

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

Cy Cowan

TITLE Regulatory Coordinator

DATE 8/23/82

(This space for District or State office use)

PERMIT NO. 1576 (Orig. Sgd.) GEORGE H. STEWART

APPROVAL DATE

APPROVED BY AUG 26 1982

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

JAMES A. GILLHAM
DISTRICT SUPERVISORARMOLD APPROVAL
FOR NUN-570 LOCATION AUG 31 1982

NSR #1576 approval

OIL & GAS
MINERALS MGMT. SERV.
ROSWELL, NEW MEXICO

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

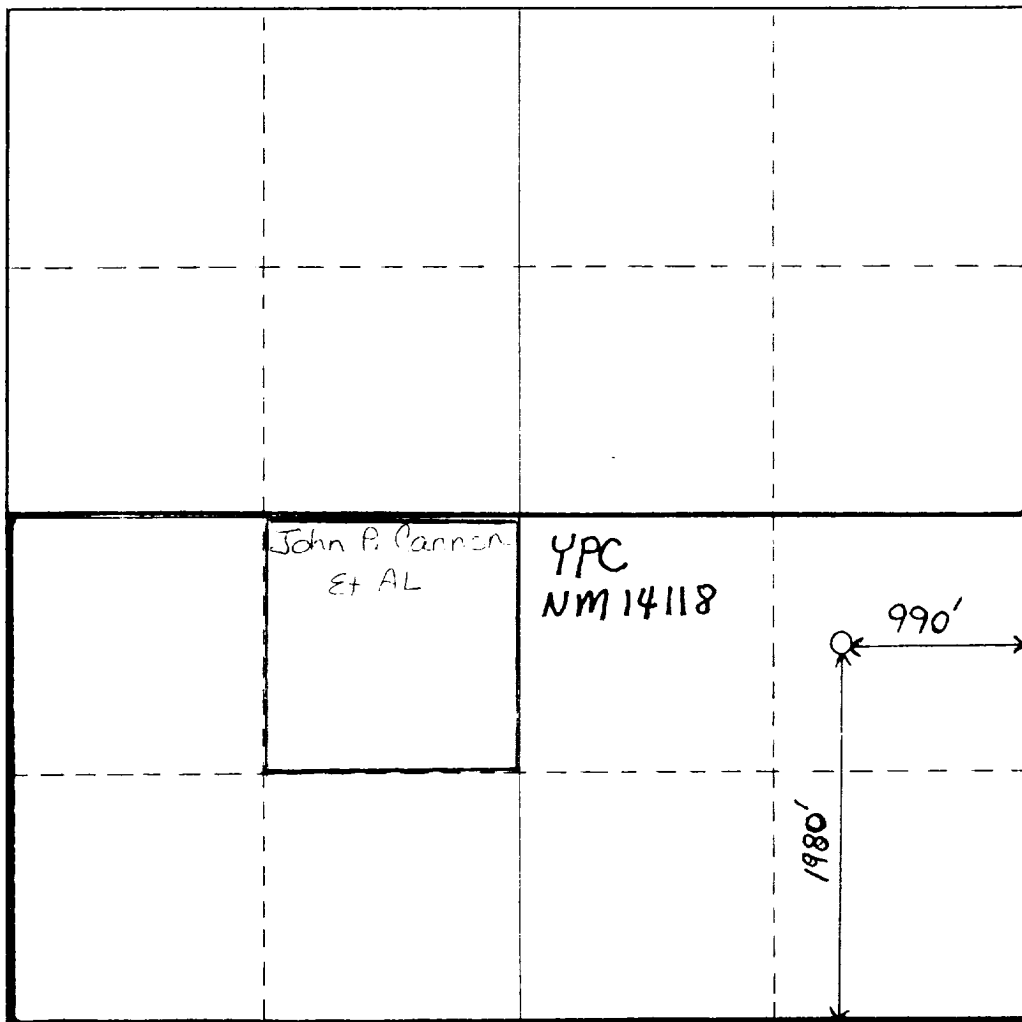
Operator YATES PETROLEUM CORPORATION			Lease Allison "CQ" Federal		Well No. 8
Unit Letter I	Section 14	Township 19 South	Range 24 East	County Eddy	
Actual Footage Location of Well: 1980 feet from the South line and 990 feet from the East line					
Ground Level Elev. 3662.0' GL	Producing Formation Morrow		Pool Under Morrow	Dedicated Acreage: 320 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 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.

Cy Cowan

Name
Cy Cowan
Position
Regulatory Coordinator
Company
Yates Petroleum Corp.
Date
8/24/82

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 are true and correct to the best of my knowledge and belief.

REGISTERED PROFESSIONAL ENGINEER AND SURVEYOR
NEW MEXICO
5412

Date Surveyed
August 22, 1982

Registered Professional Engineer and/or Land Surveyor

John P. Cannon

Certificate No.
NM PE&LS #5412

YATES PETROLEUM CORPORATION
llison "CQ" Federal #8
1980' FSL and 990' FEL
Section 14-T19S-R24E

In conjunction with Form 9-331C, 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 geologic surface formation is quaternary alluvium.
2. The estimated tops of geologic markers are as follows:

<u>San Andres</u>	<u>520'</u>	<u>Morrow Clastics</u>	<u>8522'</u>
<u>Glorieta</u>	<u>1869'</u>	<u>Chester</u>	<u>9003'</u>
<u>Abo</u>	<u>3916'</u>	<u>Mississippi Lime</u>	<u>9203'</u>
<u>Wolfcamp</u>	<u>5268'</u>	<u>TD</u>	<u>9400'</u>
<u>Lower Canyon</u>	<u>7503'</u>		
<u>Strawn</u>	<u>8070'</u>		
<u>Atoka</u>	<u>8522'</u>		
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275'

Oil or Gas: Wolfcamp, Atoka, Morrow
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples: 10' samples out from under surface casing.

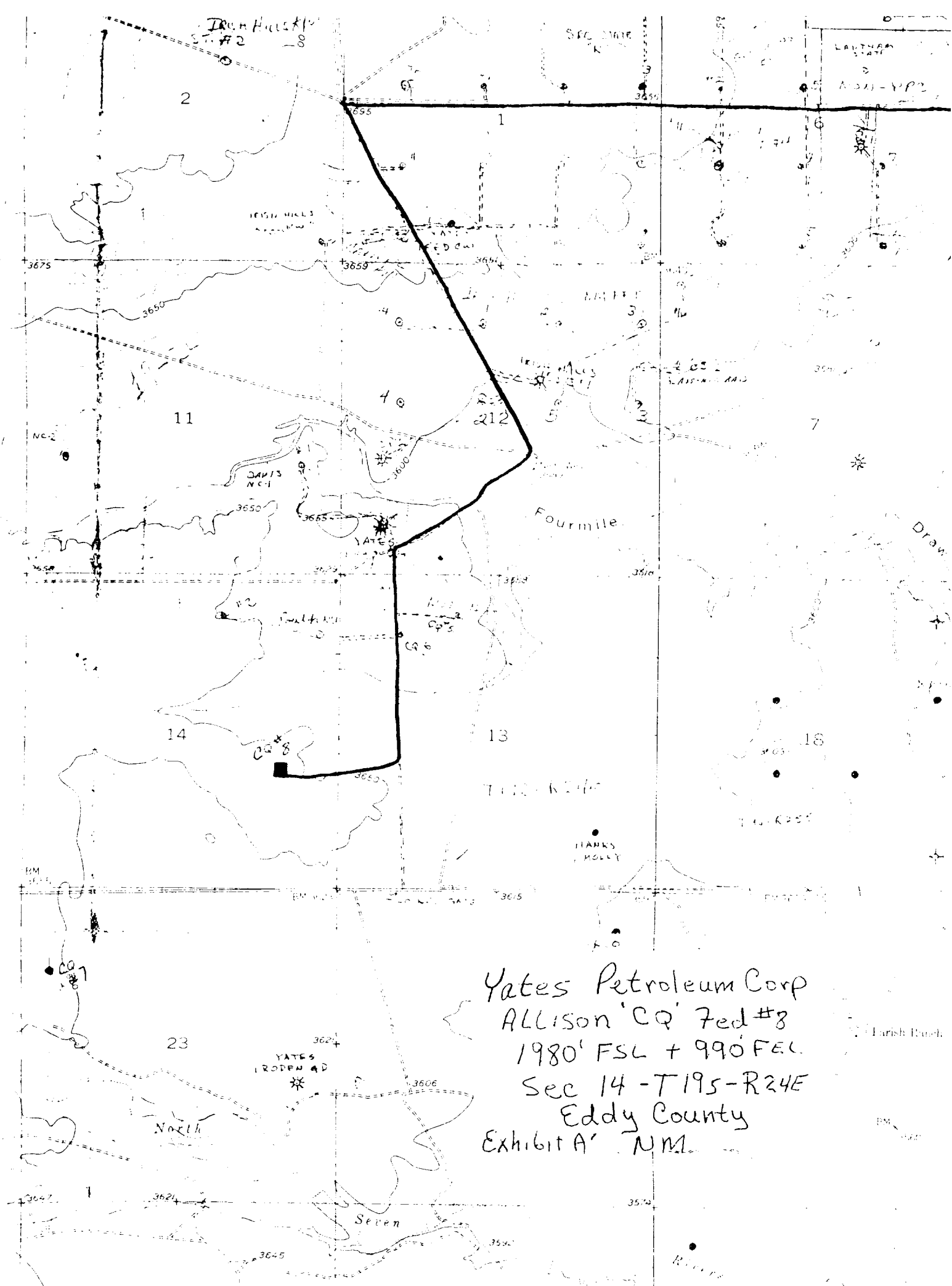
DST's: Considering & 9" or greater drilling break from Wolfcamp to TD

Coring: None

Logging: CNL-FDC TD to casing w/GR-CNL to surface, DLL TD to casing
w/RxO to 6200'.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

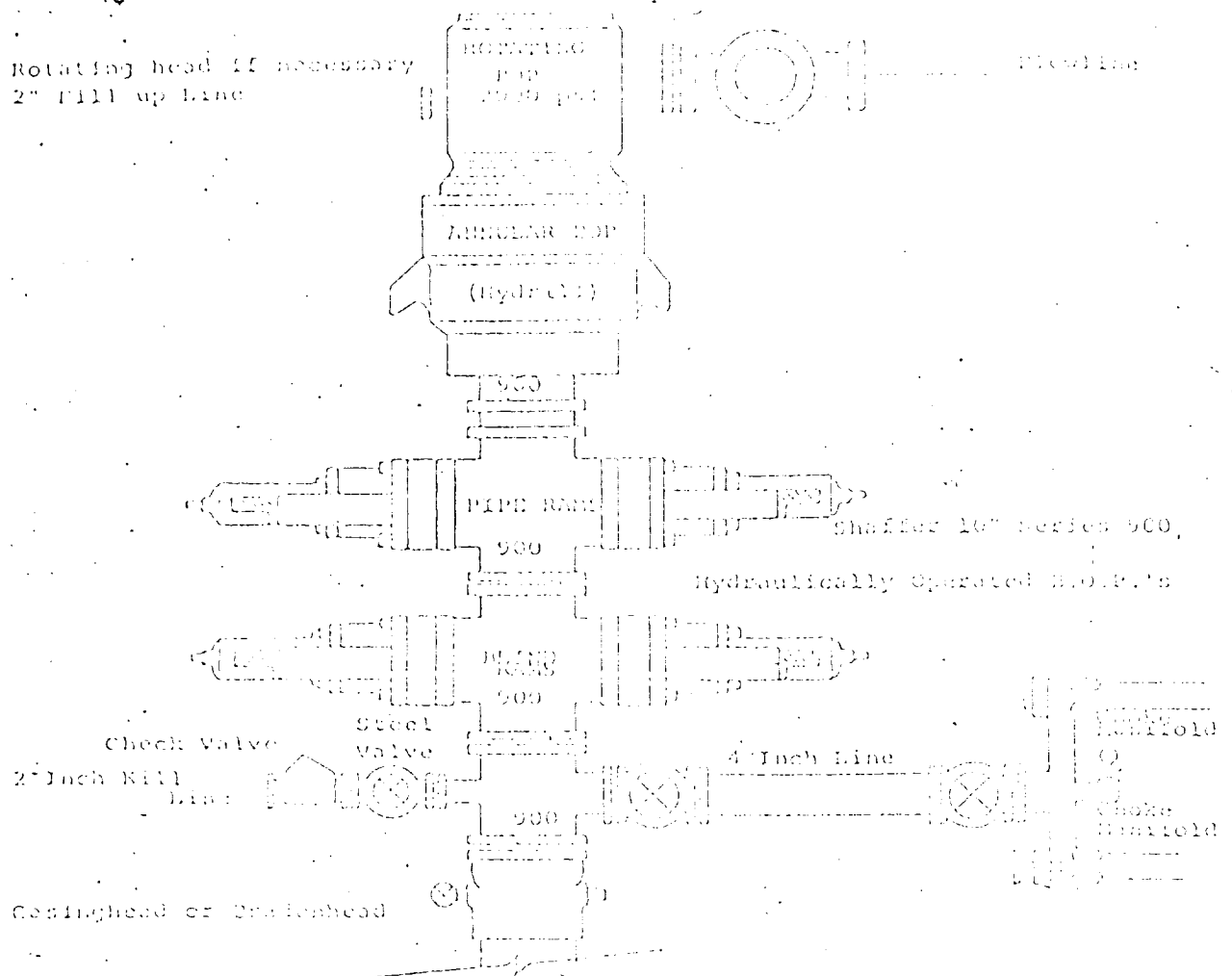
RECEIVED
AUG 25 1982

OIL & GAS
MINERALS MGMT. SERVICE
ROSWELL, NEW MEXICO



Yates Petroleum Corp
ALLISON 'CQ' Fed #8
1980' FSL + 990' FEL
Sec 14 - T19S-R24E
Eddy County
Exhibit A' NM

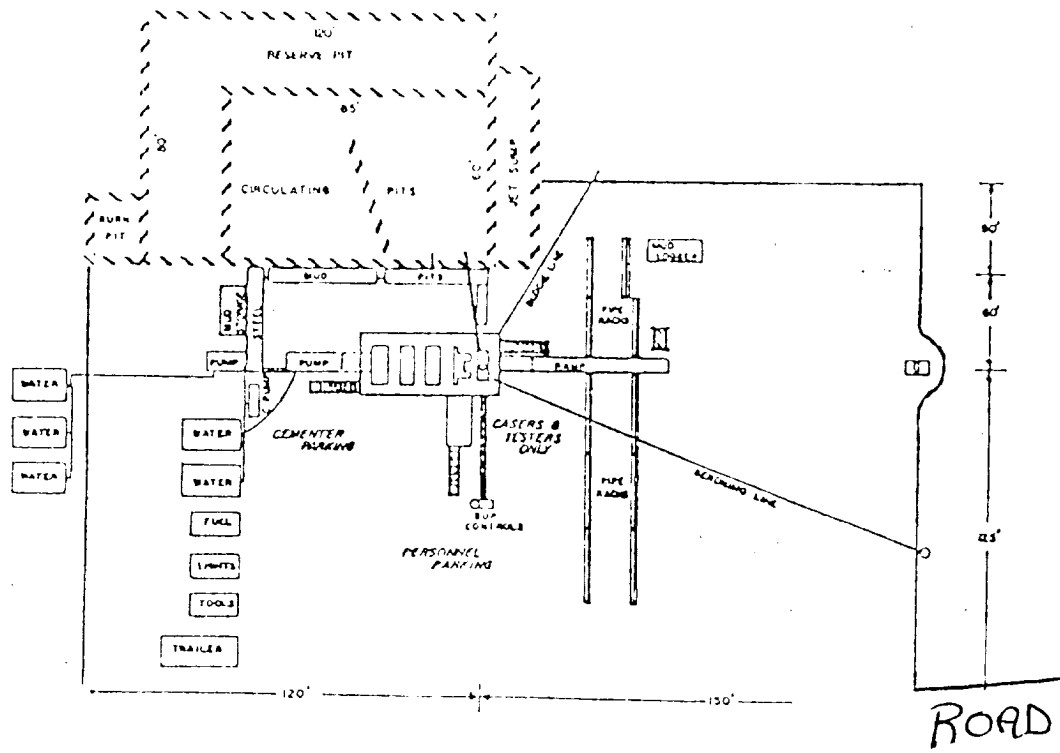
- EXHIBIT B



THE FOLLOWING SPECIFICATIONS MINIMUM BLOWOUT PREVENTER REQUIREMENTS

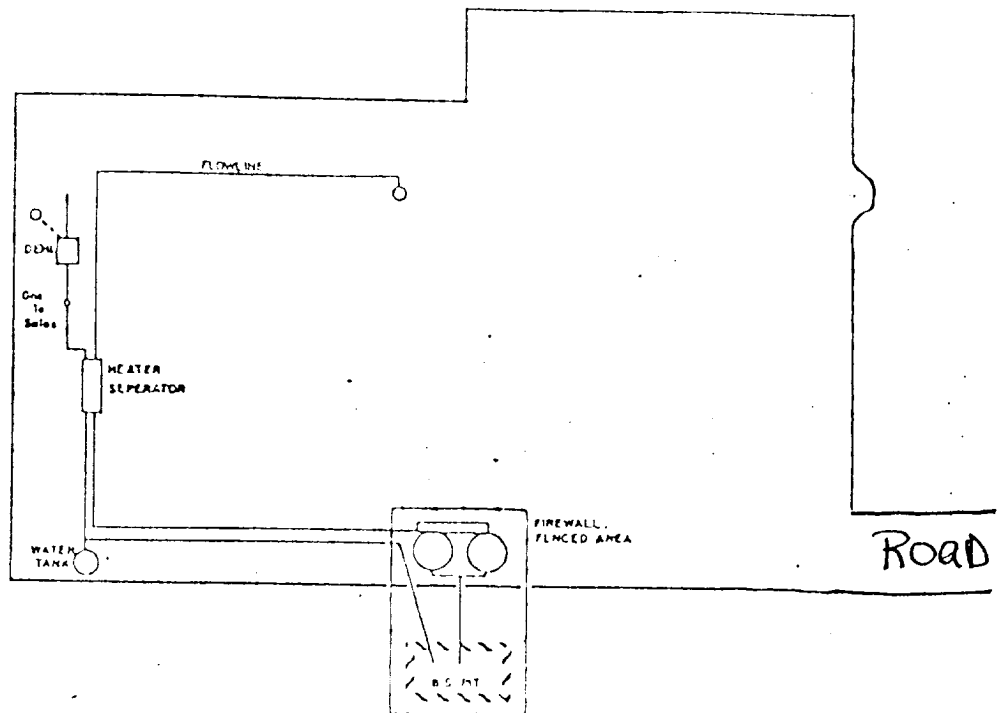
1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifold to preventers 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.

Exhibit C



DRILLING RIG LAYOUT

Scale: 1 inch = 50 feet



TANK BATTERY LAYOUT

Scale: 1 inch = 50 feet



207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 748-1331

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

August 24, 1982

Mr. George Stewart
Minerals Management Service
Federal Building
Roswell, New Mexico 88201

Dear Mr. Stewart,

Yates Petroleum Corporation has submitted an application to drill the Allison "CQ" Federal #8 well which is located on surface patented to M. B. Kincaid Estate, 906 Hermosa, Artesia, New Mexico 88210. The well location has been changed from 1980' FSL and 660' FEL to 1980' FSL and 990' FEL of Section 14-T19S-R24E in Eddy County, New Mexico.

In a telephone conversation with Mr. Ralph Schafer, ranch foreman, the change in footage was discussed and agreed upon, as was monetary compensation to the estate for the surface used in drilling this well.

Sincerely,

Cy Cowan
Regulatory Coordinator
YATES PETROLEUM CORPORATION

CC/dw

RECEIVED

AUG 25 1982

OIL & GAS
MINERALS MGMT. SERVICE
ROSWELL, NEW MEXICO