Form 9-331 C (May 1963)	Dre ^A ÜNIT DEPARTMENT	FD STATES	0 NTER	SUBMIT (Other	FINED IN TRJ Instruct everse side 7 1982	e)	Form approve	1 No. 42-R1425
	N FOR PERMIT T			IN, QRESIL	UG B	ACK	6. IF INDIAN, ALLOTTER	S OR TRIBE NAME
Ia. TYPE OF WORK		DEEPEN			G BAC		7. UNIT AGREEMENT N	AME
b. TYPE OF WELL		e la poste di Secolo e			MULTIPLI ZONE	• 🗆	8. FARM OR LEASE NAM	ME
WELL W 2. NAME OF OPERATOR							Allison "C	Q" Federal
Yates Petro	leum Corporat	cion 🖌					9. WELL NO.	
3. ADDRESS OF OPERATOR							8	
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					10. FIELD AND POOD C Undes. Hoa 11. SEC., T., B., M., OB AND SURVEY OB AN	g Tank Morrow		
At proposed prod. zon	e					1/		
same							Sec. 14-T1	
	AND DIRECTION FROM NEAD						12. COUNTY OR PARISH	
	l of Artesia,	New Mexic	20.			17 10 0	Eddy	NM
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)			2560			то ті	ACRES ASSIGNED IIS WELL 32-	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED,							RY OR CABLE TOOLS	
OR APPLIED FOR, ON TH			9100' Ro			R01	tary	
21. ELEVATIONS (Show whi	ether DF, RT, GR, etc.)						22. APPROX. DATE WG	NEK WILL START.
3662'GL						ASAP		
23.	Г	ROPOSED CASIN	G ANI	CEMENTING	PROGRAI	M		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT		SETTING DEPTH		QUANTITY OF CEMENT		
17 1/2"	13 3/8"	48# J-55		appr. 3	20'	300	sx circulat	.ed
12 1/4"	8 5/8"	24# J-55		960'		500	sx circulat	ed
7 7/8"	4½"or 5½"	9.5# 15	.5#	TD		400	SX	peotect
Approximate	to drill and ly 320' of s	urface ca:	sing	will be	set	and o	cement circu	lated G.G.

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-drispak-KCL to 8200', starch-drispak-KCL to TD.

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

GAS NOT DEDICATED.

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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.

BIGNED Cy Cowan	TITLE Regulatory Coordinator DATE 8/23/82
(This space A PARO VEIO the use)	APPROVAL DATE
	ALMOLD APPROVAL DATE DATE FUR NUM - STO LOCATION AUG 1982
JAMES A. GILLHAM DISTRICT SUPERVISOR	
	NSD # 1576 approval MINERALS INGMT. SERVIC ROSWELL, NEW MEXIC

NEXICO OIL CONSERVATION COMMISE IN WELL LOCATION AND ACREAGE DEDICATION FLAT

Form C-102 Supersedes C-128 Effective 1-1-65

VATES PETROLEUM CORPORATION Allison "CQ" Federal 8 Intitute Section Tevensity County Eddy I 14 19 South 24 East Eddy Actual Postage Lecence of Well 900 14 m dw East Intermed Eddy Actual Postage Lecence of Well Producing Fermation Pool Formative East Intermed Eddy Actual Postage Lecence of Well Producing Fermation Pool Pool Formative East Intermed Eddy 3662.0° GL Morroow Worldes Morroow Bade Data to the second pencil or hackure 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 worki interest and royally). 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? If answer is "no." list the owners and tract descriptions which have actually heen consolidated. (I'se reverse seite this form if necessary.) If answer is "no." list the owners and tract descriptions which have actually heen consolidated. (I'se reverse seite this form if necessary.) Valdowahe will be assigned to the well until all interests have been consolidated (by Weaminitization, unitizatio, force-pooling, or otherwise) or until a non-standard u			All distances must be from	the outer boundaries of the	
I 14 19 South 24 East Eddy Production of Wall: South Booth Booth <td></td> <td>ROLEUM CORP</td> <td></td> <td></td> <td>ederal Well No. 8</td>		ROLEUM CORP			ederal Well No. 8
Areas Products at Weit: 1980 100 to the data of the second product of t				-	
area greet Eux industry Point and Primation Data Annual: Balance			15 Bouch		
 3662.0.º GL MORVOW 320 how 320 h	1980	feet from the	South line and	990 - Hitte	n the East line
 If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to worki interest and royalty). 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 <u>COMMENT 1594, and</u> If answer is "no." list the owners and tract descriptions which have actually been consolidated. (I'se reverse side this form if accessary.) No allowable via been and tract descriptions which have actually been consolidated. (I'se reverse side this form if accessary.) No allowable via been signed to the well until all interests have been consolidated (by "WEiminitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests has bleveling been consolidated. (I'se reverse by the Commission. CERTIFICATION I and the commission of the constant of the commission of the constant of	•				-
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? (X) Yes (No) If answer is "yes," type of consolidation <u>COMMEDIAL TEAT FOR</u> If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by "Minimultization, unitization forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests thas been well with the information construction of the information construc	1. Outline th	e acreage dedica	tted to the subject well	by colored pencil or ha	achure marks on the plat below.
dated by communitization, unitization, force-pooling.etc? X Yes No If answer is "yes," type of consolidation <u>Community is at a solution</u> If answer is "no," list the owners and tract descriptions which have actually been consolidated. (It'se reverse side this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by Minimultization, unitization forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests has been specify that the information consistent of the communitization of the second pooling, or otherwise) or until a non-standard unit, eliminating such interests has been consolidated to the well until a non-standard unit, eliminating such interests has been consolidated to the difference of the second pooling, or otherwise) or until a non-standard unit, eliminating such interests has been consolidated to the difference of the second pooling, or otherwise) or until a non-standard unit, eliminating such interests has been consolidated to the difference of the second pooling or otherwise) or until a non-standard unit, eliminating such interests has been consolidated to the difference of the second pooling or otherwise) or until a non-standard unit, eliminating such interests has been consolidated to the difference of the second pooling or otherwise) or until a non-standard unit, eliminating such interests as a difference of the second pool of the diffe			dedicated to the well,	outline each and identif	y the ownership thereof (both as to working
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this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by "Winnuttization, unitizatio forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests has been proved by, the Commission. CERTIFICATION I hereby certify that the information certained here in is true and complete to the best of my knowledge and belief. Company Yates Petroleum Corry Dates B/24/82 Sohn R. Cannan, YPC NM 14118 990' Concert the the formation of th	X Yes	No If a	nswer is "yes," type of a	:onsolidation <u>Comn</u>	nuni + i = 2n + i > N
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Et AL NM 14118 990' 1 horder certify that the way holder will locati showing or that plue kins clotted from the rites of the the kins of the rites of the these of the rites of the rites of the these of the these of the rites of the these of the these of the rites of the these of t		1	-	ł	
Date Surveyed Date Surveyed August 22, 1982 Registered Professional Engineer		John P. (Et A	Pannon YPC L NM1411	8 990'	inder my supervision, and thet me same is Force and correct to the thest of my
				/980'	Date Surveyed August 22, 1982 Registered Professional Engineer
0 330 660 '90 1320 1650 1980 2310 2640 2000 1500 1000 500 0 NM PE&LS #5412	L			1 1 1	Certificate No.

YATES PETROLEUM CORPORATION <u>llison "CO" Federal #8</u> <u>1980' FSL and 990' FEL</u> <u>Section 14-T19S-R24E</u>

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 quarternary alluvium
- 2. The estimated tops of geologic markers are as follows:

San Andres	520'	Morrow Clastics	8522'
Glorieta	1869'	Chester	9003'
Abo	3916'	Mississippi Lime	9203
Wolfcamp	5268'	TD	9400'
Lower Canyon	7503'		
Strawn	8070 '		
Atoka	8522'		•

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 I	'D
Coring:	None	•
Logging:	CNL-FDC TD to casing w/GR-CNL to surface, DLL TD to casing	•
	w/Rx0 + 0.6200'.	

- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

ECELVE AUG 2 5 1982

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





THE FOLLCHING CONTITUTE MUNITUM PLOYOUT PROFESSION REQUIREMENTS

- All preventers to be hydraulically open med with necondary manual controls installed prior to crilling out from order caping.
- 2. Chold outlet to be a minimum of 4" diam-cor.
- 3. Kill line to be of all steel construction of 2" minimum diameter.
- All connections from operating manifolds to preventers to be all steel. hole or tage a minimum of one lash in diamater.
- 5. The available closing pressure shall be at least 15% in excess of that required with matricient volume to operate the B.O.P.'s.
- All connections to and from provenues to have a pressure rating equivalent to that of the B.O.P.'s.
- 7. Inside blowaut preventer to be available on rig floor.
- [0, -0) operating controls located a safe distance from the rig floor
- Hole must he kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole felt.
- 10. D. P. float must be installed and used below zone of first gas intrusion.

THIES FEITULEUM LURPURATION

Exhibit C

1



DRILLING RIG LAYOUT Socie: Inch = 50 feet



Scola: Linch= 50 feet

FYHIRT N



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

207 SOUTH FOURTH STREET ARTESIA, NEW MEXICO 88210 TELEPHONE (505) 748-1331

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



OIL & GAS Minerals Mgmt. Service Roswell, New Mexico