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FEB 14 1983

O. C. D.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. 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, Artesia, New Mexico 38210

4. Location of Well

UNIT LETTER L

LOCATED 2310

FEET FROM THE South

LINE

AND 660' FEET FROM THE West

LINE OF SEC. 16

TWP. 19S

RGE. 27E

NMPM

17. County

Eddy

19. Proposed Depth

appr. 10400'

19A. Formation

Morrow

20. Rotary or C.T.

Rotary

1. Elevations (show whether DT, KI, etc.)

3359' GL

21A. Kind & Status Plug. Bond

Blanket

21B. Drilling Contractor

Ard Drilling Co. #5

22. Approx. Date Work will start

ASAP

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# J-55	appr. 350'	300 sx	circulated
12 1/4"	8 5/8"	24# J-55	appr. 1800'	700 sx	circulated
7 7/8"	4 1/2" or 5 1/2"	15.5-17# J-55	TD	300 sx	
		10.5-11.6# J-55			

We propose to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set to shut off gravel and caving and intermediate casing will be set 100' below the Artesian Water Zone. If commercial, will run 4 1/2" or 5 1/2" with 600' of cement cover, will perforate and stimulate as needed for production.

MUD PROGRAM: FW gel/LCM to 1800', FW to 7400', KCL/cut brine to 8500', starch/drispak/KCL and salt gel to TD.

BOP PROGRAM: BOP's and hydril will be installed on 8 5/8" casing and tested daily.

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 8-15-83
UNLESS DRILLING UNDERWAY

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.

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

signed Gustavo Rodriguez Title Regulatory Agent

Date 2/14/83

(This space for State Use)

APPROVED BY M. Williams TITLE OIL AND GAS INSPECTOR

DATE

FEB 15 1983

CONDITIONS OF APPROVAL, IF ANY:

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

the 7 casing

Posted 2/14/83
AD-16 7/14/83
2-15-83

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.

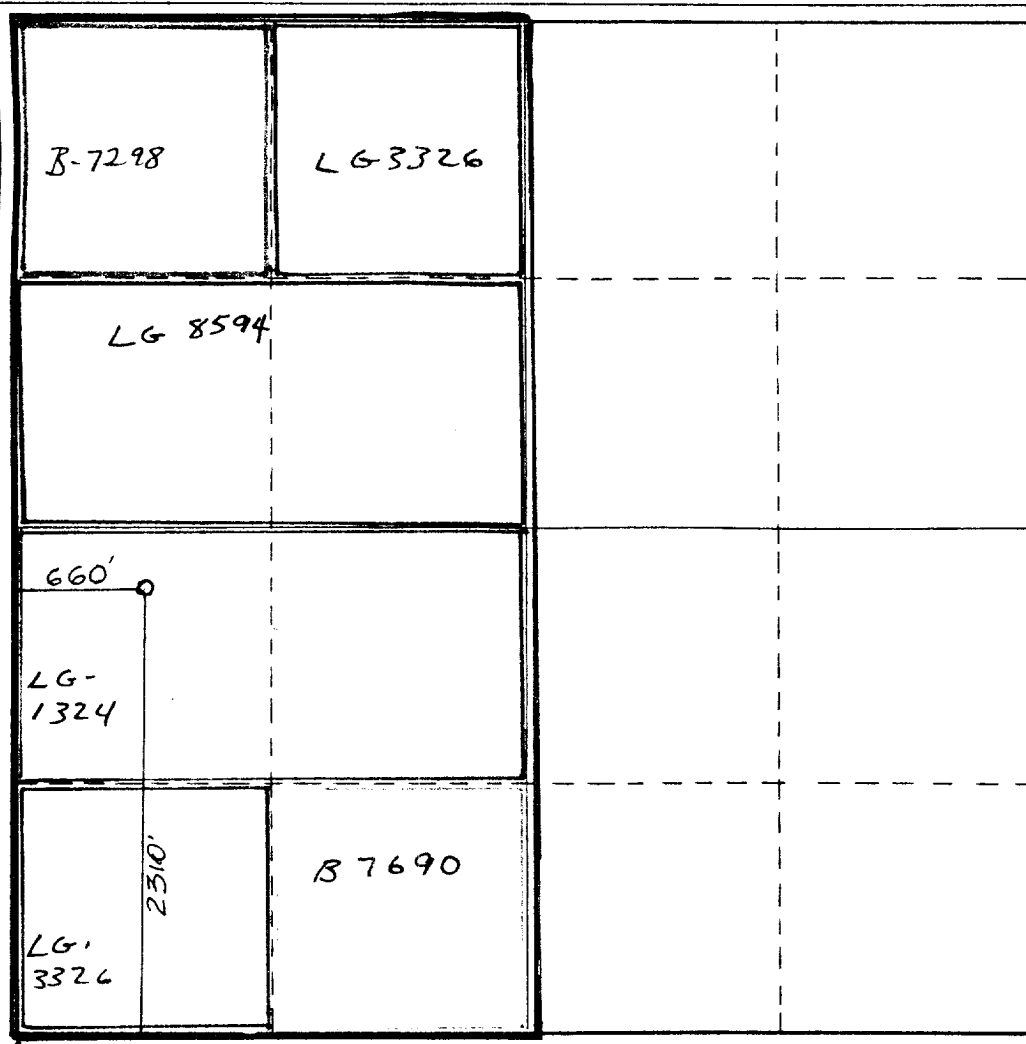
Operator YATES PETROLEUM CORPORATION			Lease Amigo WT State		Well No. 1
Unit Letter L	Section 16	Township 19 South	Range 27 East	County Eddy	
Actual Footage Location of Well: 2310 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3359.	Producing Formation Morrow		Pool Under 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 TO BE COMMUNITIZED

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

AGENT

Company
YATES PETROLEUM CORP

Date
2-14-83

DAN R. REDDY
NEW MEXICO
REGISTERED PROFESSIONAL LAND SURVEYOR
5412
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.

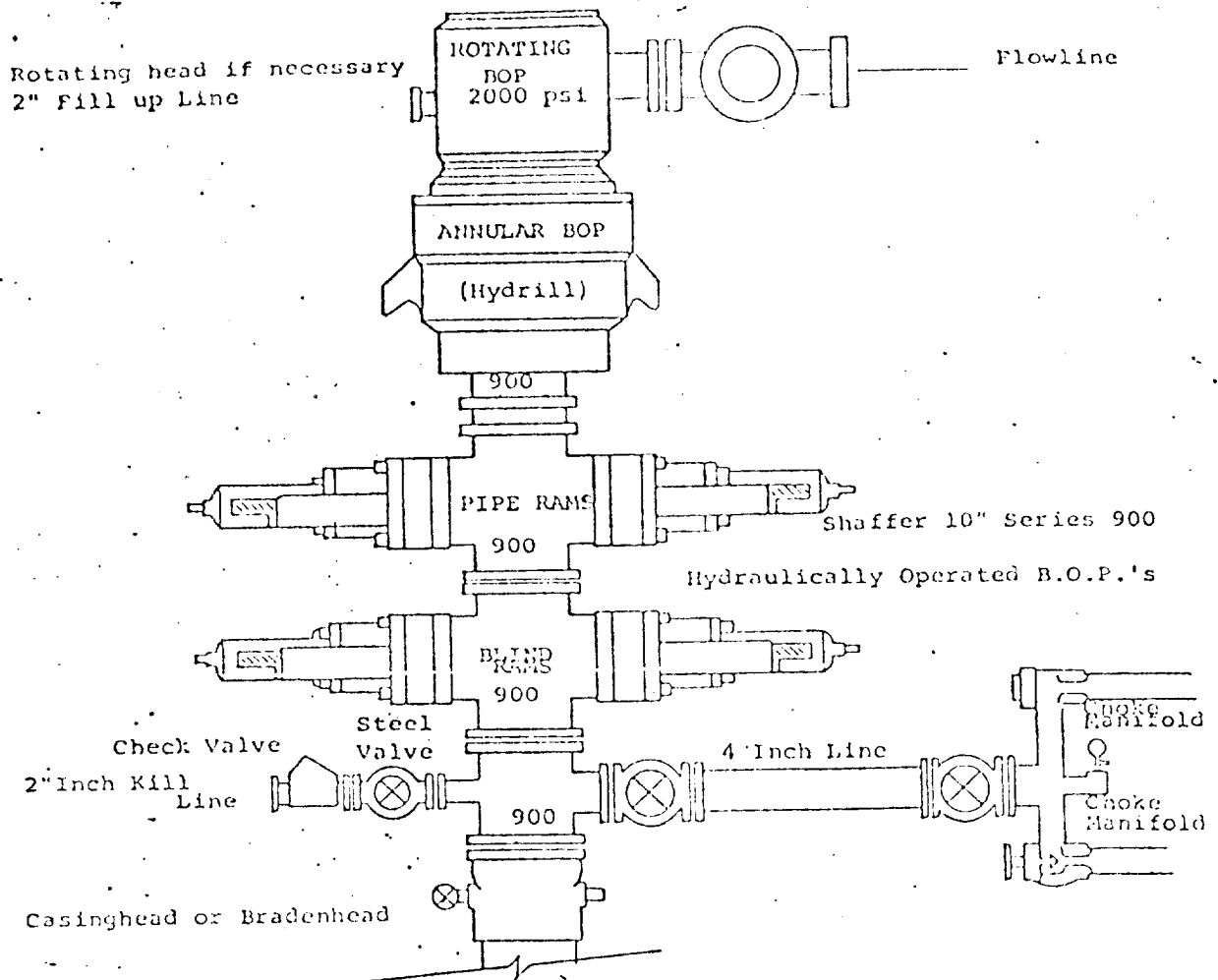
Date Surveyed
January 16, 1983

Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PE&LS #5412

EXHIBIT B



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.