| 'òrm 3160—3<br>November 1983)<br>formerly 9—331C)                                       | UNI                       | TED STATES            |  | ctions on Budget Bureau No. 1  |            |
|---|---------------------------|-----------------------|--|--|------------|
|   |                           | LAND MANAG            |  | LC-062-052   |            |
|   | I FOR PERMIT              | TO DRILL              | EEPEN, OR PLUG B                               | BACK 6. IF INDIAN, ALLOTTER OR TE  | IDE NAME   |
| TTPE OF WORK  |                           | DEEPEN                |  |  |            |
| TYPE OF WELL  | •                         | ſ                     | PRECEIVED BUNE                                 | PLE 8. FARM OR LEASE NAME  |            |
| NAME OF OPERATOR  | ELL OTHER                 |                       |  | Hudson II Feder  | ral        |
| Harvey E. Ya  | ates Company 🖌            |                       | MAR _ 5 1987                                   | 9. WELL NO.<br>3   |            |
| P.O. Box 19   | 33, Roswell, N            |                       |  | 10. FIELD AND POOL, OR WIT   | DCAT       |
| At NUTACE FNL &   |                           | id in accordance wi   | h any State regulrements *)<br>ARTESIA, OFFICE | X Hildcat/MM. M.<br>11. AND SUBVEY OR AREA   | mano BS    |
| At proposed prod. son<br>Same   | AND DIRECTION FROM NE     | APPAT TOWN OR POST    | UT,  | Sec. 11, T185,<br>12. COUNTY OF PARISH   13.                                       | R31E       |
|   | E. of Loco Hil            |                       |  | Eddy   | NM         |
| DISTANCE FROM PROP<br>LOCATION TO NEARES<br>PROPERTY OR LEASE I<br>(Also to mearest dri | DEED"<br>T<br>LINE, FT.   | 660'                  | 16. NO. OF ACEES IN LEASE<br>160               | 17. NO. OF ACRES ASSIGNED<br>TO THIS WELL 40                                       |            |
|   | DEED LOCATION®            | ' from DH             | 19. PROPOSED DEPTH<br>9200                     | 20. ROTABY OR CABLE TOOLS<br>Rotary  |            |
|   | ether DF, RT, GR, etc.)   |                       |  | 22. APPROX. DATE WORK W  |            |
| 3752.2  |                           |                       |  | As soon as po  |            |
|   |                           | PROPOSED CASI         | AND CEMENTING PROGR                            |  |            |
| SIZE OF HOLE  | BIZE OF CASING            |                       | 350  | QUANTITY OF CEMENT   |            |
| 11 1/2  | 8 5/8                     | 24                    | 2300   | Circl  |            |
| 7 7/8<br>MUD PROGRAM  | 5 1/2                     | 17                    | 9200   | 600 ft. above pay  |            |
| 0 - 350 Spu<br>350 - 2300   | -                         |                       |  |  | o)         |
|   |                           |                       | i<br>N   | Posto 9  | p 41       |
| ABOVE SPACE DESCRIP<br>one. If proposal is to<br>reventer program, if an<br>4.          | drill or deepen direction | onally, give pertinen | t data on subsurface locations i               | present productive some and proposed net<br>and measured and true vertical depths. |            |
| BIGNED <u>M.M.</u>  |                           | . Young T             | Drilling Super                                 | intendent Februar  | y 17, 1987 |
| (This space for Fed   | eral or State office use) |                       |  |  |            |
| PERMIT NO.  |                           | . <u></u>             | APPROVAL DATE                                  | 3-4-   |            |
| APPROVED BY   |                           |                       | TLB  | DATE 7   |            |
|   |                           | *See Instr            | uctions On Reverse Side                        |  |            |

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

## WEXICO OIL CONSERVATION COMM<sup>®</sup> ON We - LOCATION AND ACREAGE DEDICATION PLAT

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

|                       |   | Ail distanc          | es must be from the oute  | r boundaries of                        | the Section  |   |
|-----------------------|---|----------------------|---|--|--|---|
| perator               | HARVEY E.   | YATES COMPAN         | Y   | HUDSON                                 | 11 FEDERAL   | Well No.  |
| nit Letter            | Section   | Township             | Range   | •                                      | Jounty   |   |
| В                     | 11  |                      | 185   | 31E                                    | E  | DDY   |
|                       | ocation of Well:  |                      |   |  | E 1 (2)  | (D  |
| 990                   | feet from the   |                      | line and 1980   | fee                                    | t from the EAS   | .104  |
| ound Level El         | ev. Producino<br>Bone   | Formation<br>Springs | Pool<br>Wild  | L IL TEN                               | T  | Deducated Acreage:  |
| 3752.2                |   |                      |   | µua                                    | Tamarte L.   | O L Acto  |
| 2. If more            |   |                      | subject well by col   |  |  | hip thereof (both as to workir  |
|                       | y communitizatio  | on, unitization, f   | ership is dedicated<br>'orce-pooling.etc?<br>es,'' type of consolic |  | have the interes   | ts of all owners been consol  |
| this form<br>No allow | n if necessary.).<br>wable will be as:  | signed to the we     | ll until all interests  | have been                              | consolidated (by   | solidated. (Use reverse side o<br>communitization, unitization<br>been approved by the Commis   |
|                       |   | EYCO et al           |   | ······································ |  |   |
|                       | L<br> <br> <br> <br> <br> <br> <br> <br>  | C 062052             |   | 1980'                                  | tair<br>bes<br>Name<br>Name<br>No<br>Fosit<br>D<br>Comp<br>H<br>Date | M. Young<br>Prilling Superintenden  |
|                       | <br> |                      |   | NO.                                    | I h<br>sho<br>not<br>und<br>is                                       | ernby certify that the well location<br>wh on this plat was plotted from fie<br>es of actual surveys mode by me<br>er my supervision, and that the sam<br>frue and correct to the best of m<br>wledge and belief. |
|                       | 1   |                      | HE HE   | 676                                    | JAI  | Surveyed<br>NUARY 28,1987<br>Tered Professional Engineer  |
|                       | 4<br>4<br>1   |                      |   | W WEST                                 |  | r Land Surveyor   |
|                       |   |                      |   | V W WES                                | and/o  |   |

## EXHIBIT C

Harvey E. Yates Co. Hudson 11 Federal 3 Eddy Co., New Mexico



## Application

HARVEY E. YATES COMPANY Hudson 11 Federal #3 Section 11, T-18S, R-31E Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill the Subject well in Section 11, Township 18 South, Range 31 East, Eddy County, New Mexico, Harvey E. Yates Company submits the following ten items of pertinent information in accordance with Bureau of Land Management requirements:

- 1. The geologic surface formation is quaternary alluvium and bolson deposits and other surficial deposits.
- 2. The estimated tops of geologic markers are as follows:

| Rustler      | 820'  | Penrose      | 3610' |
|--------------|-------|--------------|-------|
| Yates        | 2270' | Grayburg     | 3900' |
| Seven Rivers | 2690' | San Andres   | 4240' |
| Bowers       | 3138' | Bone springs | 5660' |
| Queen        | 3385' | TD           | 9200' |

3. We do not anticipate finding water but have listed the formation in which we anticipate finding oil or gas.

Bone Springs 5660'

- 4. Proposed casing program: See Form 3160-3
- 5. Pressure control equipment: See Exhibit C.
- 6. Mud program: See Form 3160-3.
- 7. Auxiliary equipment: Blowout preventer
- 8. Testing, logging and coring programs: Two possible DST's both in the Bone Springs. We are not planning to do any coring. Planned logs are DLL-Micro w/GR & Caliper, CN-Den w/ GR & Caliper.
- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible.



## EXHIBIT D

Harvey E. Yates Co. Hudson 11 Federal 3 Eddy Co., New Mexico

