

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

RECEIVED  
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

105 South Fourth Street - Artesia, NM 88210

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

At surface

1980' FSL and 1980' FWL

At proposed prod. zone

Same

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

Approximately 25 miles southwest of Artesia, New Mexico

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

1040

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160.00

18. DISTANCE FROM PROPOSED LOCATION\*

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

19. PROPOSED DEPTH

8000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3616' GR

22. APPROX. DATE WORK WILL START\*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

Yates will omit 13 3/8" csg and run 9 5/8" surf./int. string instead. SJS

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
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14 3/4"	12 1/4"	36# J-55	1200'	600 sacks - circulate
8-3/8"	7"	26# K-55 & 23# S-95	TD	600 sacks

We propose to drill and test the Canyon and intermediate formations.

Approximately 1200' of intermediate casing will be set with cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW Gel/LCM to 1200', cut brine to 7500', Starch & Drispak to TD

BOP PROGRAM: BOP's will be installed on 9-5/8" casing and tested daily

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

Clifton P. May

TITLE

Regulatory Agent

DATE

December 10, 1987

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

12-18-87

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

[REDACTED]

[REDACTED]

[REDACTED]

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.

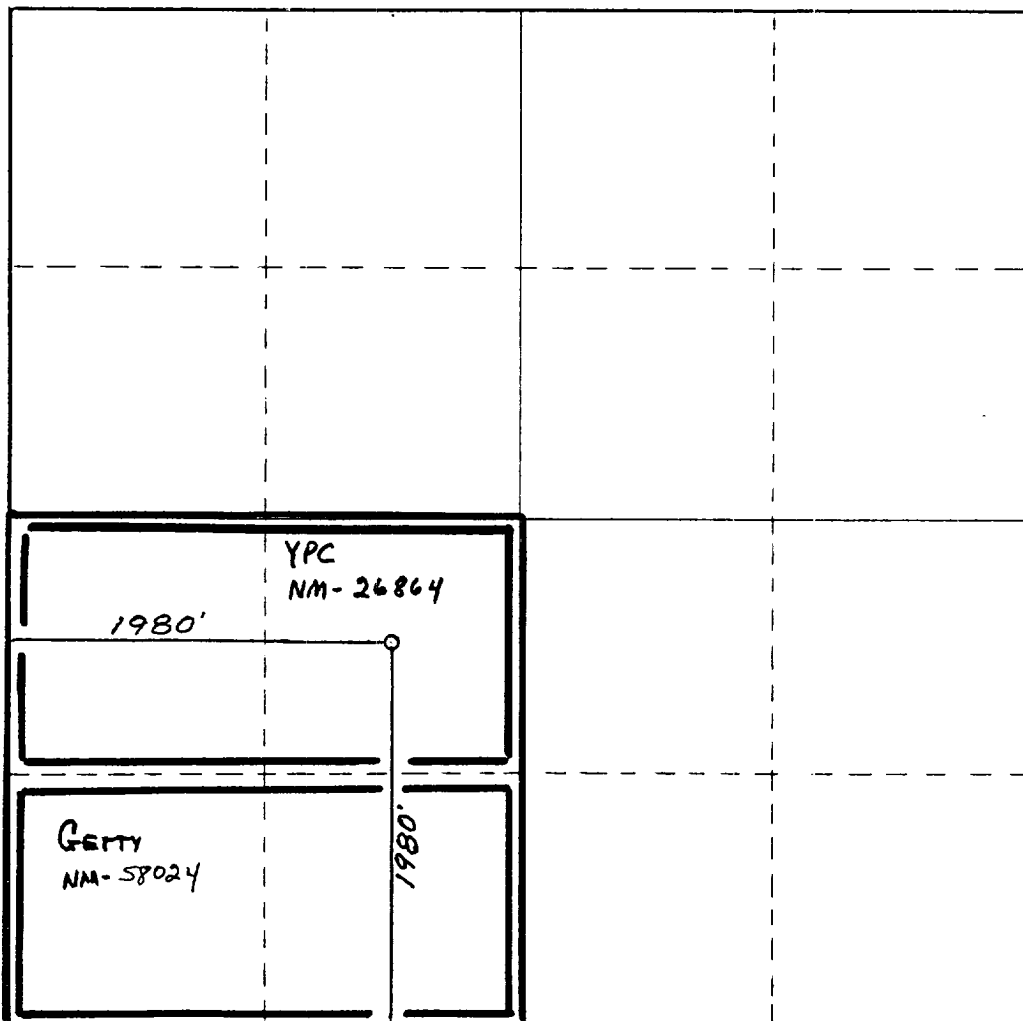
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Roden GD Federal Comm</b>		Well No. <b>2</b>
Unit Letter <b>K</b>	Section <b>25</b>	Township <b>19 South</b>	Range <b>24 East</b>	County <b>Eddy County, N.M.</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>West</b> line					
Ground Level Elev. <b>36 16 .</b>	Producing Formation <b>CISCO CANYON</b>		Pool <b>UNDERS. H. DAGGER DRAIN UMER PENN</b>	Dedicated Acreage: <b>160</b> 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 **IS 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.

*Clifton R. May*

Name

Clifton R. May

Position

Regulatory Agent

Company

Yates Petroleum Corporation

Date

December 10, 1987

**DAN R. REDDY**  
NEW MEXICO  
REGISTERED PROFESSIONAL ENGINEER  
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.

Date Surveyed

December 1, 1987

Registered Professional Engineer and/or Land Surveyor

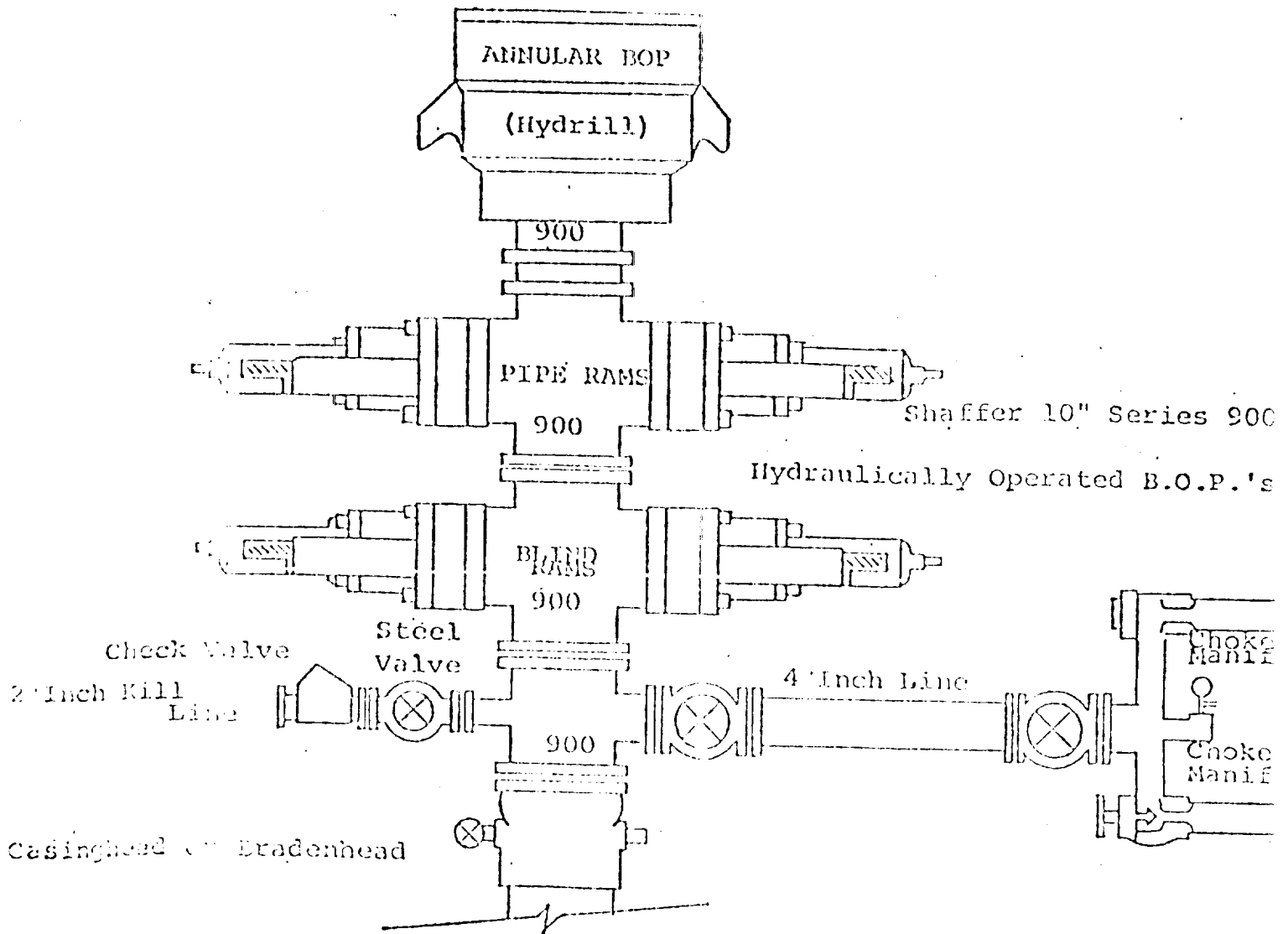
*Dan R. Reddy*

Certificate No.

NM PE&LS NO. 5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

# 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.
10. D. P. float must be installed and used below zone of first gas intrusion

YATES PETROLEUM CORPORATION  
Roden GD Federal Com #2  
1980' FSL and 1980' FWL of  
Section 25-T19S-R24E  
Eddy County, New Mexico

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 BLM requirements.

1. The geological surface formation is alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	472'	Upper Penn Lime Cap	7512'
Glorieta	1941'	Main Dolomite Reservoir Pay	7708'
Bone Springs	3830'	Base Dolomite	7808'
Wolfcamp	5316'	TD	8000'
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275'  
Oil or Gas: Wolfcamp 5316'; Upper Penn Lime Cap 7512'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
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:

DST's: As warranted  
Logging: CNL/LDT from TD to casing with GR-CNL on to surface; DLL from TD to casing with minimum Rxo over bottom 2000'  
Samples: 10' intervals out from under surface casing to TD; Mudlogger on out from under intermediate casing  
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

# YATES PETROLEUM CORPORATION

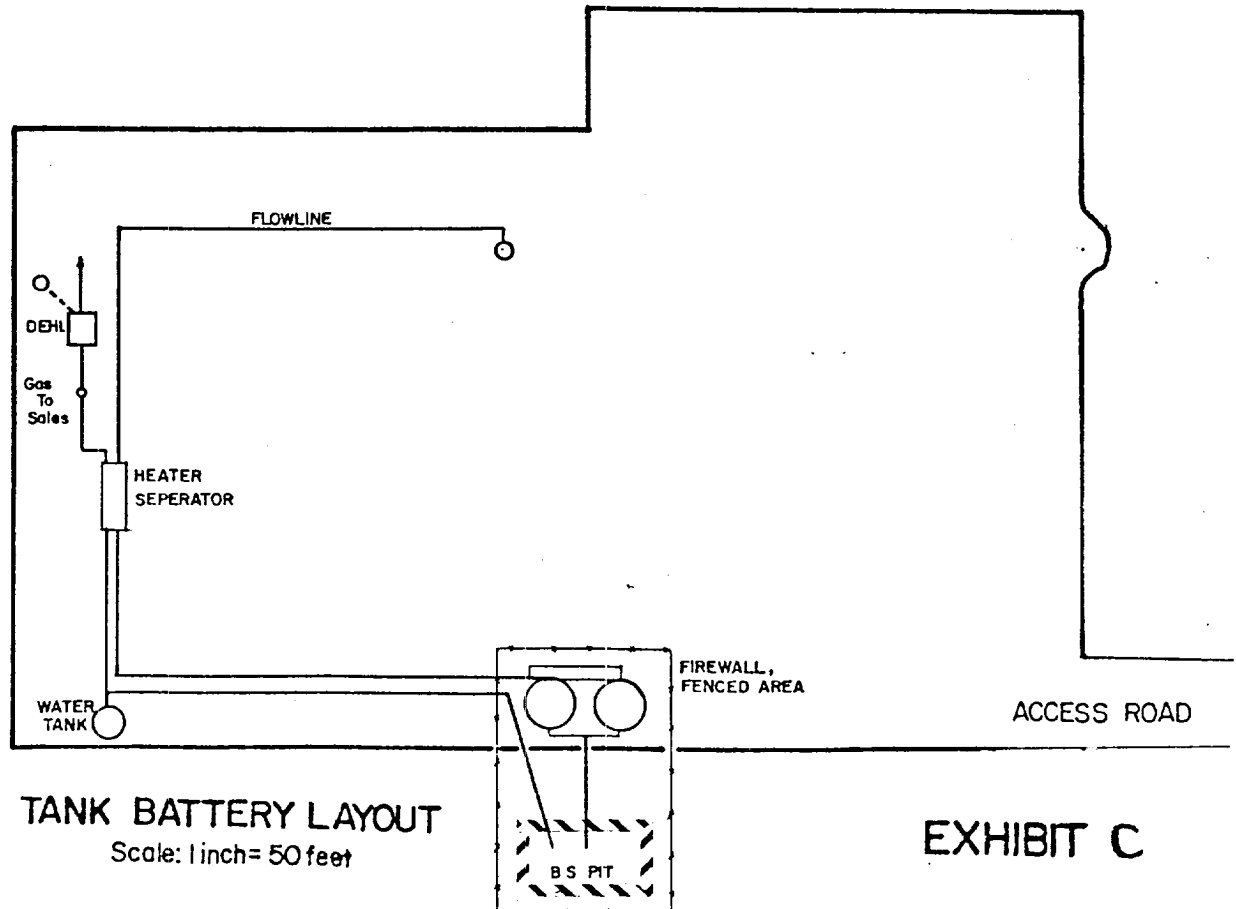
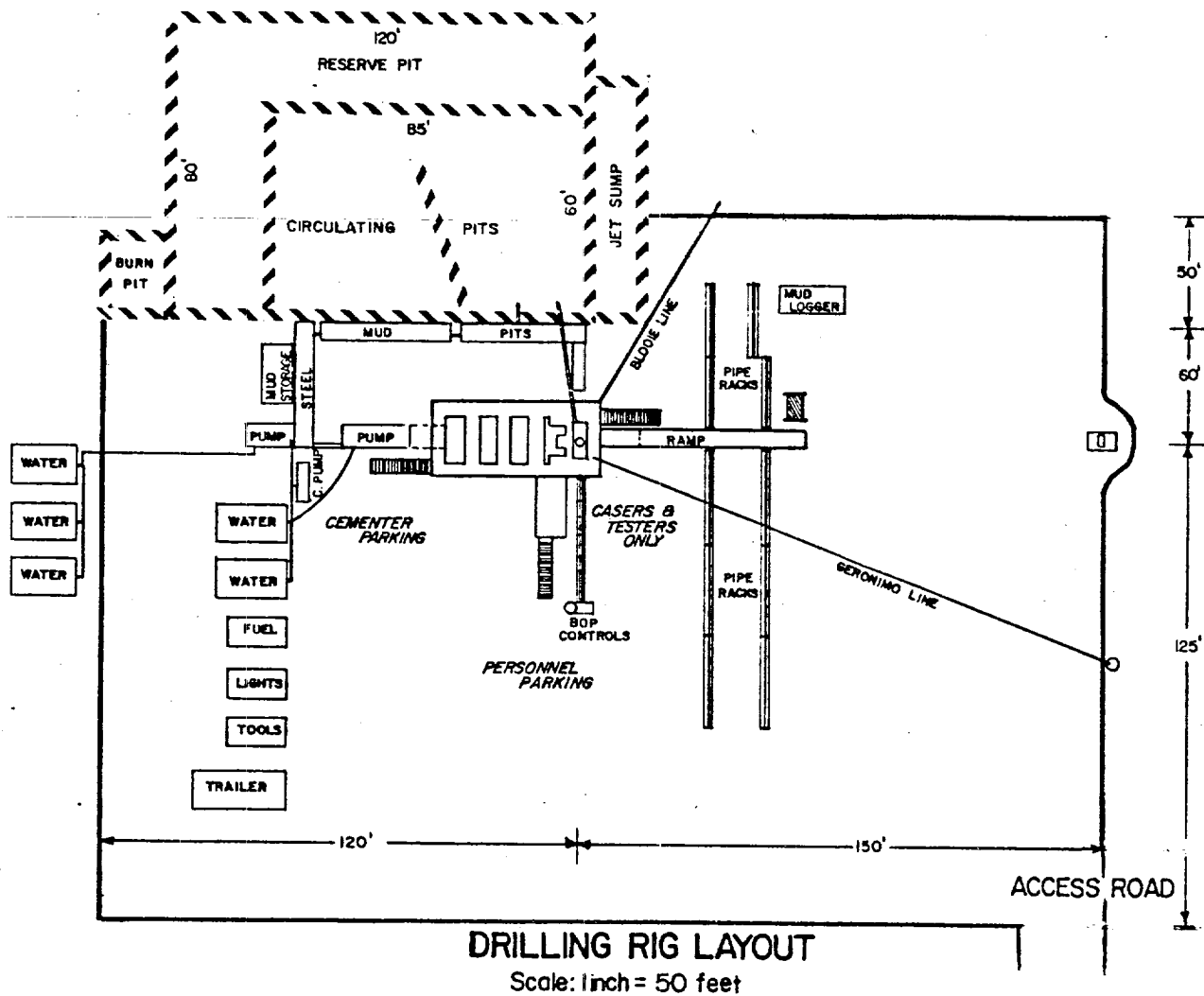
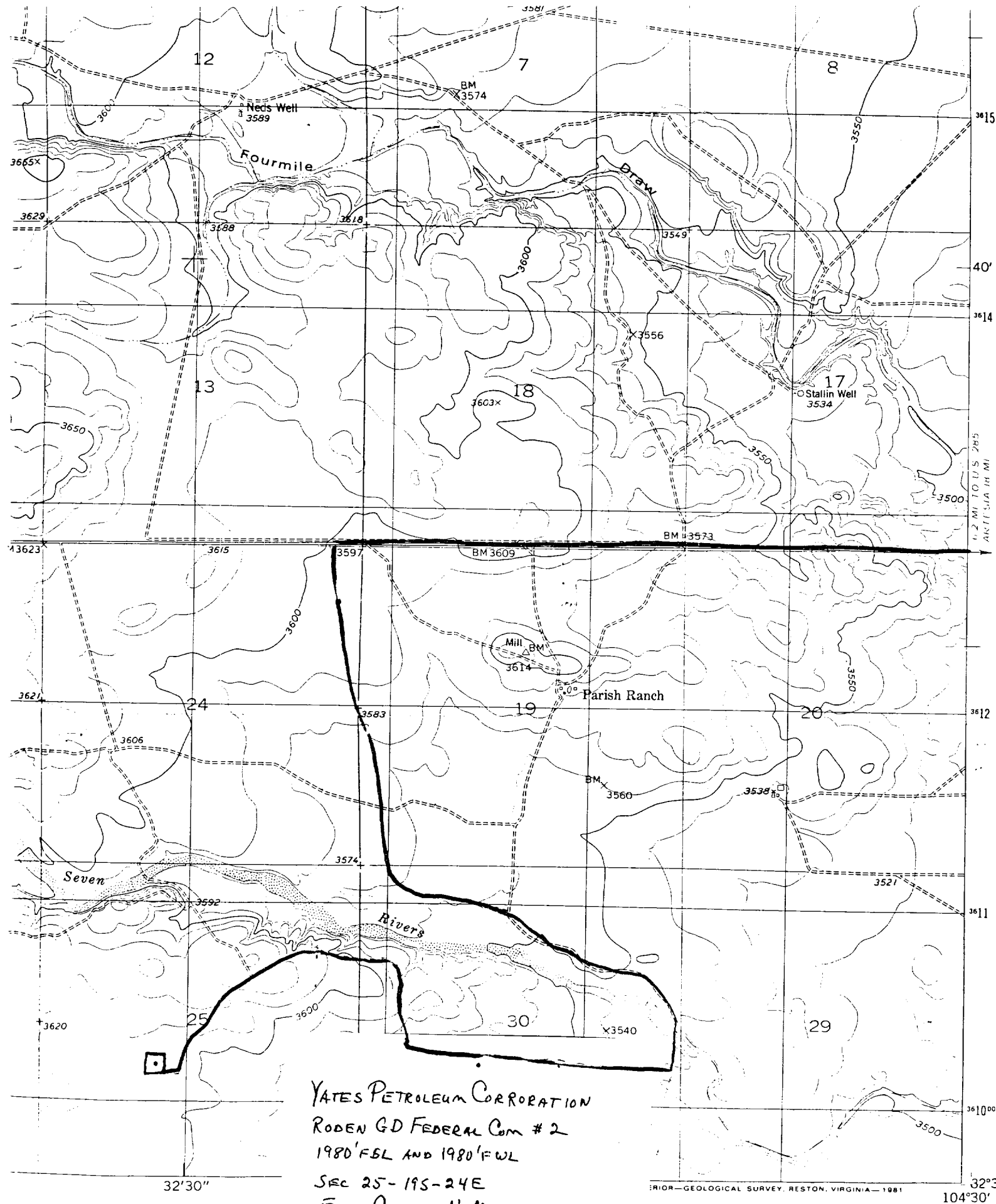


EXHIBIT C



YATES PETROLEUM CORPORATION  
RODEN GD FEDERAL Com #2  
1980' FSL AND 1980' FWL  
SEC 25-19S-24E  
EDDY COUNTY, N.M.  
EXHIBIT A

U.S. GEOLOGICAL SURVEY, RESTON, VIRGINIA—1981

32°3' 104°30'

1 MILE  
7000 FEET  
1 KILOMETER

ROAD CLASSIFICATION

Light duty ————— Unimproved dirt - - - - -