1					
Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies		State of New M y, Minerals and Natural F	lesources Department		Form C-101 Revised 1-1-89
DISTRICT I P.O. Box 1980, Hobbs, N		CONSERVATION P.O. Box 20	88	API NO. ( assigned by OC	-
DISTRICT II		Santa Fe, New Mexico	87504-2088		26250
P.O. Drawer DD, Artesia,	NM 88210	•	DEC 6'89	5. Indicate Type of Lease	
DISTRICT III					
1000 Rio Brazos Rd., Azt	ec, NM 87410		O. C. D.	6. State Oil & Gas Lease	No.
		TO DOUL DE EDE			
AFFLICA	TION FOR PERMIT	TO DRILL, DEEPEN,	OR PLACE BACK		
1a. Type of Work:				7. Lease Name or Unit A	amement Name
DRIL	L X RE-ENTE		PLUG BACK		Groenent I wille
b. Type of Well:			FLOO BACK	Foster "FF"	<b>C</b> • •
WELL X WELL	OTHER	SINCLE	MULTIPLE	roster FF	com.
	UINER	ZONE	ZONE		
2. Name of Operator				8. Well No.	
Yates Petrol	eum Corporatio			a. Well INO.	
3. Address of Operator	cum corporacio.			2 .	
	urth Street. A	rtesia, NM <u>38210</u>		9. Pool name or Wildcat	11+
4. Well Location		00014/ MI 50210	X_ <u>VV'</u> _	11. Darger In	· W/I Para
	L_: <u>1855</u> Feet	From The South	line at con	202	/
	<u> </u>		Line and _ 660	Feet From The W	est Line
Section 1	Town	ship 20 South R	nge 24 East		
		mmmmm		NMPM E	ddy County
		10. Proposed Depth		ormation	
<i>\////////////////////////////////////</i>		8100'			12. Rotary or C.T.
13. Elevations (Show wheth				co Canyon	RIT
	()	14. Kind & Status Plug. Bond Blanket	15. Drilling Contractor	16. Арргох. 1	Date Work will start
3605 0	<u>-N</u>	Blanket	Undesignated	AS SO	on as possible
17.	PI	ROPOSED CASING AN	ND CEMENT PROGR		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4"	9 5/8"	36# J-55	Approx. 1300'	700 sx	Circulate
8 3/4"	7"	26#N-30&J-55		As warranted	
	······		10	warranceu	
	· · · · · · · · · · · · · · · · · · ·				

We propose to drill and test the Upper Penn and intermédiate formations. Approx. 1300' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be ran and cemented, will perforate and stimulate as needed for production.

Mud Program: FW GEL to 1300'; FW to 4000'; Cut brine to 7000'; SW GEL/Starch to TD

BOP Program: BOP's and hydrill will be installed on 9 5/8" casing and tested daily.

0

Post ID-1 APPROVAL WHIDFOR <u>180</u> DAYS 12-15-89 PERMITERATION <u>6-8-90</u> Man Doc + API UNLESS FOR DEPENDER UNLESS DAILLING UNDERWAY

I hereby certify that the nf	SCRIBE PROPOSED PROGRAM: IF PROPOSAL L'ITO DE EVENTER PROGRAM, IF ANY.	and belief.	·
SIGNATURE	~ Demany	me Landman	DATE
TYPE OR PRINT NAME	Ken Beardemphl		(505) TELEPHONE NO. 748-147
(This space for State Use)	ORIGINAL SIGNED BY		
	MIKE WILLIAMS	-	•*
APPROVED BY	SUPERVISOR, DISTRICT I	TITLE	$\_\_\DEC - 7 1989$
LAVORTAN TO SNOTTONO	IP ANY:		
	NOTIFY N	M.O.C.D. IN SUFFICIENT	
		WITHESS CEMENTING THE	

2. Je- OASING

## -W MEXICO OIL CONSERVATION COMM. N WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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VATES     PETROLEUM CORPORATION     Foster FF Com.     2       it Letter     Section     Township     Range     County       L     1     20 South     24 East     Eddy County, N.M.       1855     feet from the     South     line and     660     feet from the     West     line       00000     10000     Fonducing Formation     Pocl     Pocl     Dedicated Acreage:     Dedicated Acreage:			All distances mu	ist be from th	e outer boundaries of	the Section	n.	
Letter       Township       T	)perator Vampo			Leas	e			Well No.
L 1 20 South 24 East Channel Control of Mails 20 South 20 South 24 East Diddy County, N.M. 1855 reactions in South 100 for a first part of the south 24 East Diddy County, N.M. 1855 reactions in South 100 for a first part of the south 25 reaction 25 reactions 2605. In the south 26 for a first part of the south 26 for a first p		T			Foster FF	com.		2
Data from a wait       20 South       20 South       24 Edst       Edge Courty, N.M.         1855       feet from the       South       ince and       660       inter from the       New Year         305.       Products       Products       Products       Advect       Inter         1. Outline the acreage dedicated to the subject well by colored pencil or hachufe marks on the plat below.       Inter       Inter       Inter         2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to workin interest and royalty).       If answer is "yes." type of consolidation <b>Communitization</b> , unitization, force-pooling.etc?         XI Yes       No       If answer is "yes." type of consolidation <b>Communitization</b> , unitization, force-pooling, etc?         No allowable will be assigned to the well until all interests have here consolidated (Use reverse side of forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Connuis sion.         CENTIFICATION       Item of the information control of the information con		Section	· ·		Range	County	· · · · · · · · · · · · · · · · · · ·	
105       Control of Participant Control of Participant Parti Participant Participant	. —		20 Sou	th	24 East		Eddy Count	V. N.M.
und Lay Line and the production promotion       interms       Post from the t		ation of Well:				·		
and Level Like.       Production generation       Notice Production Programs       Description Account       Notice Product Product       Notice Product Product       Notice Product Pro	1855	feet from the	South	e and E	560 tea	t from the	West	1.
3605.       Allocity of the subject well by colored pencil or hachure marks on the plat below.         1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.       If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to workin 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>communitization</u> , unitization, unitization, force-pooling, etc?         [X] Yes       No       If answer is "yes," type of consolidation <u>communitization</u> , unitization, unitization, unitization, unitization, on allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, sion.         No       allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization is ion.         CERTIFICATION       I hereby certify than the information content to the best of my knowledge and belief.         1       Item Machine information content to the informa	iround Level Elev.					t nom the		
<ul> <li>1. Outline the acreage dedicated to the subject well by colored pencil or hachine marks on the plat below.</li> <li>2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to workin interest and royalty).</li> <li>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?</li> <li>(X) Yes □ No If answer is "yes." type of consolidation <u>cammunitization</u>.</li> <li>If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form in necessary.)</li> <li>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.</li> <li>CERTIFICATION</li> <li>I hereby certify that the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest of my knowledge and belief.</li> <li>Interest of my knowledge and belief.</li> <li>Interest in the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest in the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest in the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest in the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest in the information contrained herein is true and complete to the best of my knowledge and belief.</li> <li>Interest in the information that the information contrained herein is true and complete in the information contrained herein is true and complete in the information contrained herein is true and complete in th</li></ul>	3605.	f f	)		11	$\Lambda \mu$	IP Dea	
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Certificate No.         Certificate No.         Certificate No.         Certificate No.         Certificate No.	this form if	necessary.)		······································				
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GGO'     FEE       Name     22914       NM-12731     NM-12731		l			1			
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	330 660 '9	0 1320 1650 198	0 2310 2640	2000 1	500 1000 500	<u>ه</u>	NM PEALS NO	. 5412'

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installed prior to drilling out from under casing. Choke outlet to be a minimum of 2" diameter. 2.

- 3.
- Kill line to be of all steel construction of 2" minimum diameter. All connections from operating manifolds to preventers to be all s ·4. bole or tube a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of .<sup>5</sup>.
- · required with sufficient volume to operate the B.O.P.'s. 6. All connections to and from preventer to have a pressure rating eq
- Inside blowout preventer to be available on rig floor. 7.
- 8. Operating controls located a safe distance from the rig floor Nole must be kept filled on trips below intermediate casing. **`**9.

## EXHIBIT