

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DEVISION

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DEC 6 '89

O. C. D.

API NO. (assigned by OCD on New Wells)

30-015-26250

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☒

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☐

b. Type of Well:

OIL  
WELL ☒

GAS  
WELL ☐

OTHER ☐

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

Foster "FF" com.

2. Name of Operator

Yates Petroleum Corporation

8. Well No.

2

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

9. Pool name or Wildcat

N. Packer Dr. U/T

4. Well Location

Unit Letter L : 1855 Feet From The South Line and 660 Feet From The West Line

Section 1

Township 20 South Range 24 East

NMPM

Eddy

County

10. Proposed Depth  
8100'

11. Formation  
Cisco Canyon

12. Rotary or C.T.

RT

13. Elevations (Show whether DF, RT, GR, etc.)

3605' GA

14. Kind & Status Plug. Bond  
Blanket

15. Drilling Contractor  
Undesignated

16. Approx. Date Work will start  
As soon as possible

17.

PROPOSED CASING AND CEMENT PROGRAM

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	TD	As warranted	

We propose to drill and test the Upper Penn and intermediate 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.

Part ID-1  
12-15-89  
New Doc & API

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 6-8-90  
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

Ken Beardemphl

TITLE Landman

DATE 12-6-89

TYPE OR PRINT NAME

Ken Beardemphl

(505)  
TELEPHONE NO. 748-1471

(This space for State Use)

ORIGINAL SIGNED BY  
MIKE WILLIAMS

APPROVED BY

SUPERVISOR, DISTRICT II

TITLE

DATE

DEC - 7 1989

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT  
TIME TO WITNESS CEMENTING THE  
CASING

NEW MEXICO OIL CONSERVATION COMM. N  
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.

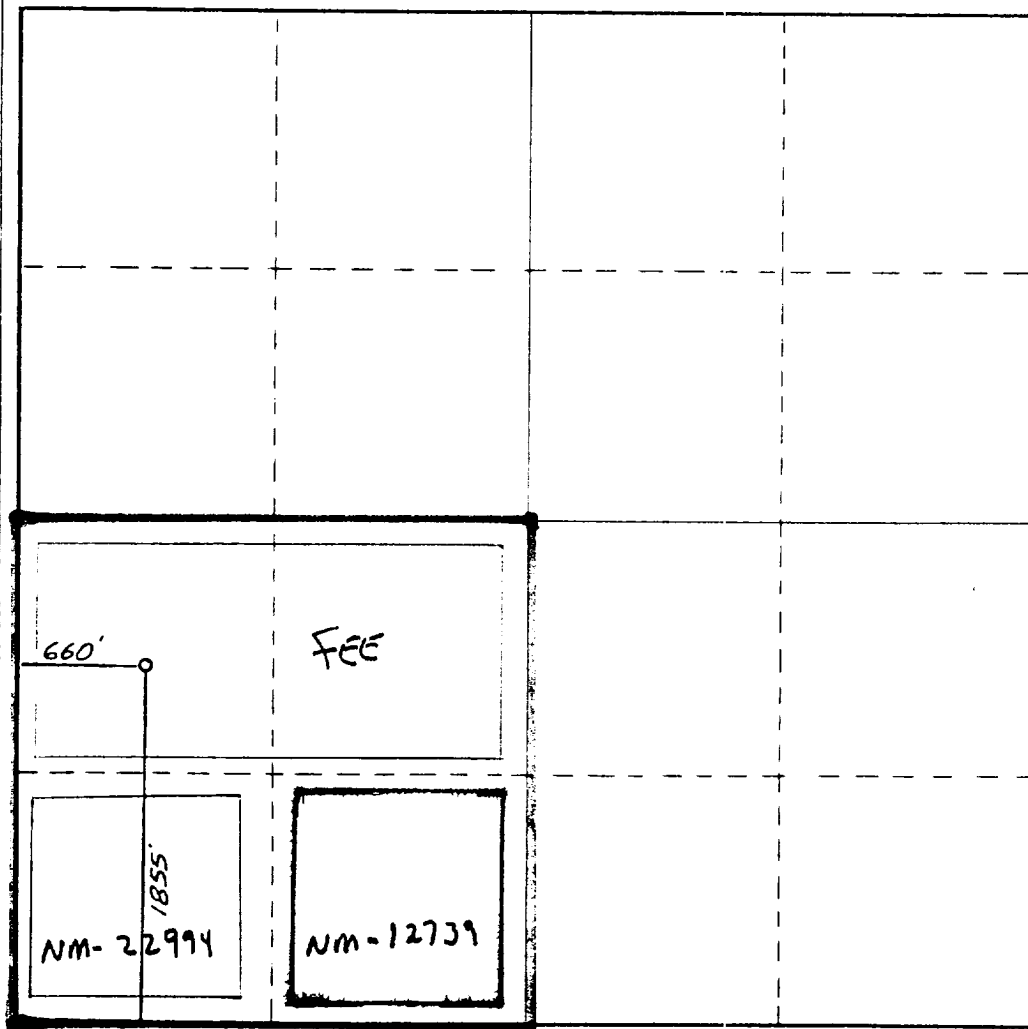
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Foster FF Com.</b>		Well No. <b>2</b>
Unit Letter <b>L</b>	Section <b>1</b>	Township <b>20 South</b>	Range <b>24 East</b>	County <b>Eddy County, N.M.</b>	
Actual Footage Location of Well: <b>1855</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3605.</b>	Producing Formation <b>Penn</b>		Pool <b>N. Dancer Dr. 4/Penn</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 communitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

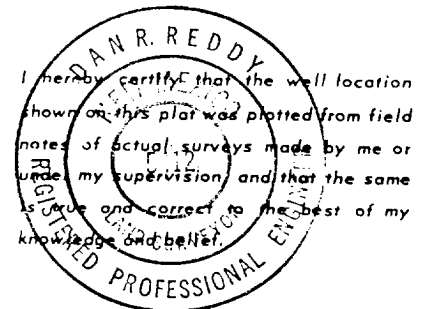
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

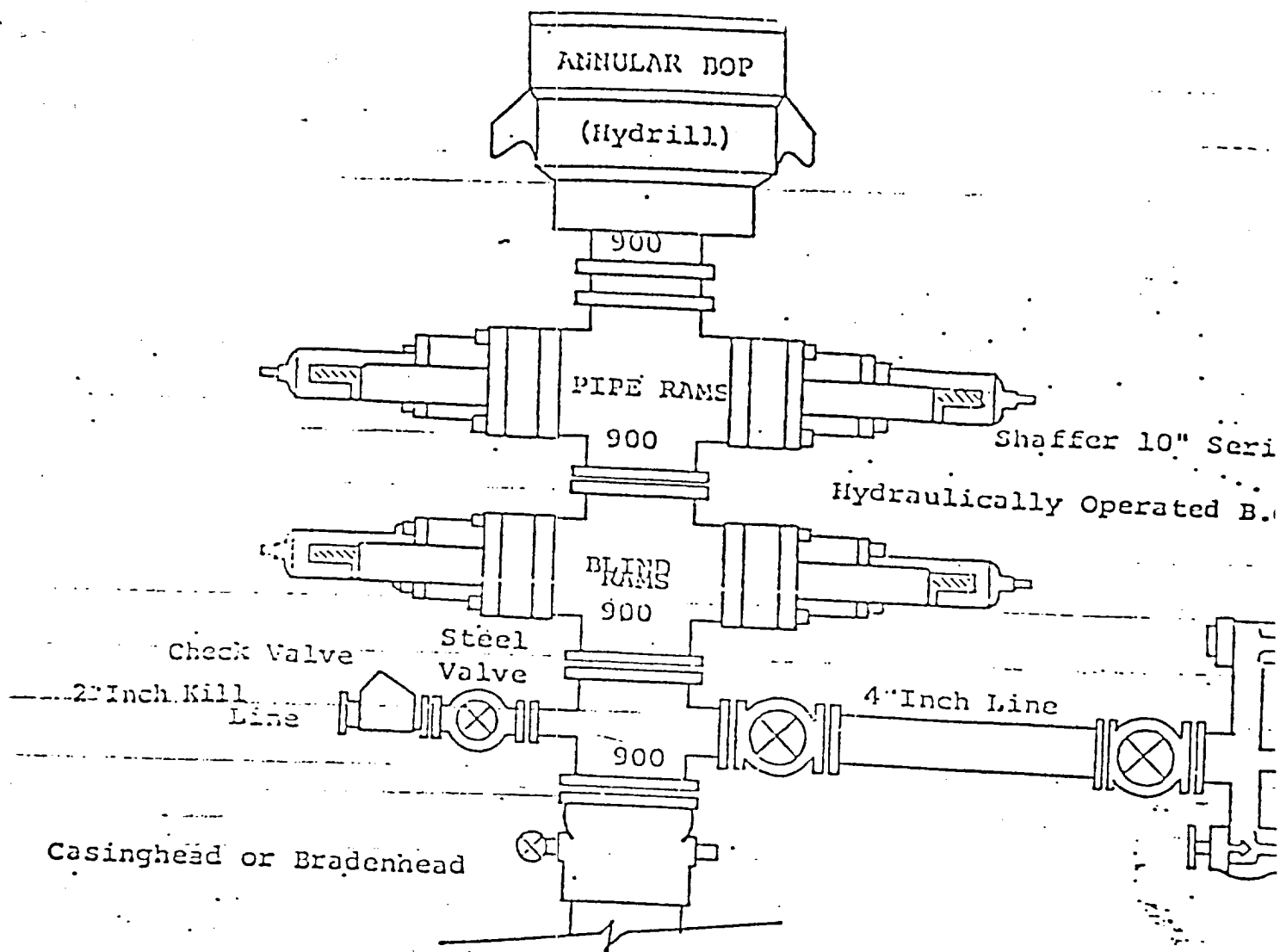
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Ken Bending  
Position LANDMAN  
Company YPL  
Date 12-6-89



Date Surveyed  
December 5, 1989  
Registered Professional Engineer  
and/or Land Surveyor

Dan R. Reddy  
Certificate No.  
NM PE&LS NO. 5412



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" 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 required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equal 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.

EXHIBIT B