

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

State of New Mexico  
Enr, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

# OIL CONSERVATION DIVISION

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

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

AUG 23 '90

API NO. (assigned by OCD on New Wells) <b>30-015-26454</b>	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			ARTESIA, OFFICE		
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>			SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		
2. Name of Operator Yates Petroleum Corporation ✓			7. Lease Name or Unit Agreement Name Foster "AN"		
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210			8. Well No. 2		
4. Well Location Unit Letter <u>B</u> : 1980 Feet From The <u>East</u> Line and <u>660</u> Feet From The <u>North</u> Line Section <u>1</u> Township <u>20S</u> Range <u>24E</u> NMPM <u>Eddy</u> County			9. Pool name or Wildcat Und. Morrow		
10. Proposed Depth 9600'			11. Formation Morrow		12. Rotary or C.T. Rotary
13. Elevations (Show whether DF, RT, GR, etc.) 3592 GR		14. Kind & Status Plug. Bond Blanket		15. Drilling Contractor Not designated	
16. Approx. Date Work will start ASAP					
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	1200'	1000 sacks	Circulated
8-3/4"	7"	23 & 26# J-55	TD	As warranted	

We propose to drill and test the Morrow and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

Mud Program: FW/Gel LCM to 1200'; FW to 3400'; BW to 7200'; SW Gel/S to TD

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

APPROVAL FOR 180 DAYS  
2/28/91  
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 8/22/90

TYPE OR PRINT NAME Ken Beardemphl TELEPHONE NO.

(This space for State Use)

ORIGINAL SIGNED BY  
MIKE WILLIAMS  
SUPERVISOR, DISTRICT II

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE AUG 28 1990

CONDITIONS OF APPROVAL, IF ANY:

NOTED: H.M.C.O.D. IS SUFFICIENT  
TO BE USED IN THE  
95/B

NE EXICO 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.

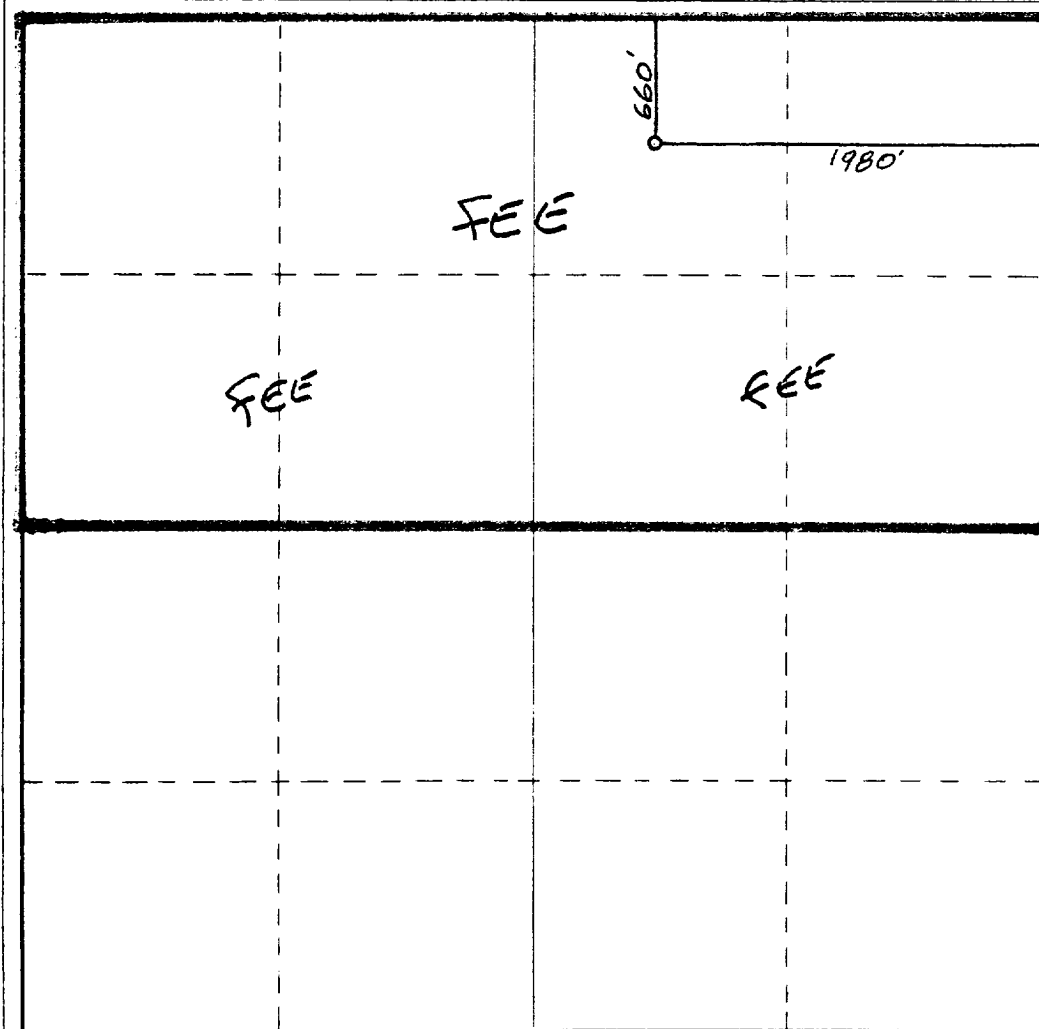
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Foster AN</b>		Well No. <b>2</b>
Unit Letter <b>B</b>	Section <b>1</b>	Township <b>20 South</b>	Range <b>24 East</b>	County <b>Eddy County, N.M.</b>	
Actual Footage Location of Well: <b>1980</b> feet from the <b>East</b> line and <b>660</b> feet from the <b>North</b> line					
Ground Level Elev. <b>3592.</b>	Producing Formation <b>Morrow</b>	Pool <b>Und. Morrow</b>	Dedicated Acreage: <b>320</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 \_\_\_\_\_

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.

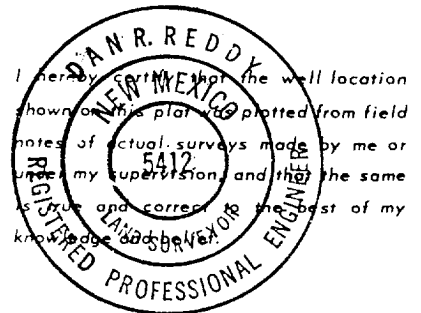
*Ken Beardemphl*

Name  
**KEN BEARDEMPL**

Position  
**LANDMAN**

Company  
**Yates Pet. Corp.**

Date  
**8-22-90**

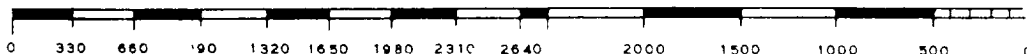


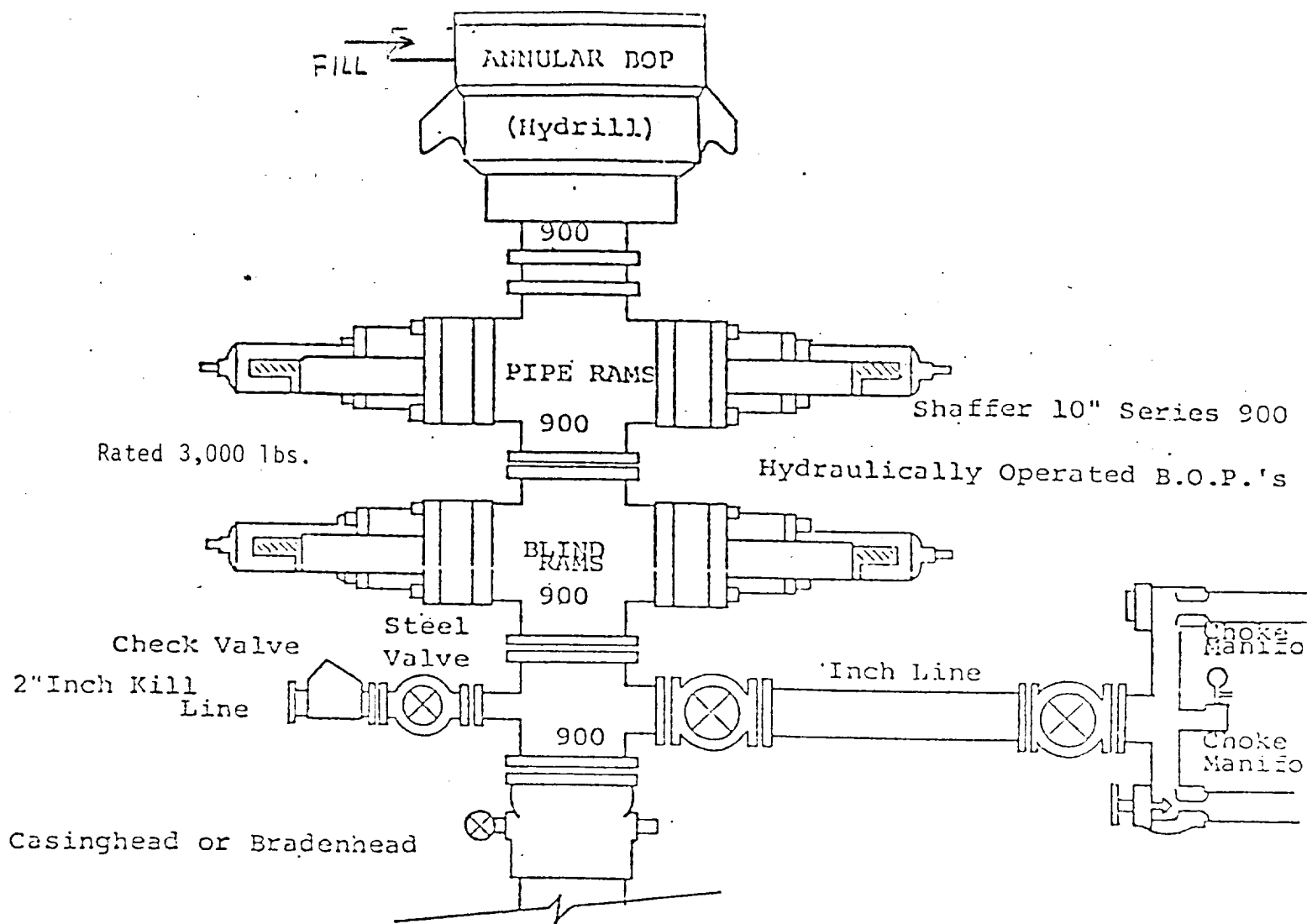
Date Surveyed  
**August 21, 1990**

Registered Professional Engineer  
and/or Land Surveyor

*Dan R. Reddy*

Certificate No.  
**NM PE&PS NO. 5412**





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control 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 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.

EXHIBIT  
B