Form 3160-3 (November 1983)		y		SUBMIT IN	IPLICATE		
(formerly 9-\$31C)	UNI	TED STATE		(Other inst. reverse		Budget Bureau No. 1004-0136 Expires August 31, 1985	
• •	DEPARTMEN	T OF THE	INTEF	RIOR		5. LEASE DESIGNATION AND SEBIAL NO.	
	BUREAU O	ELAND MANA	GEMEN	IT		NM-043625	
	n for permit	to drill,	DEEP	EN, OR PLUG	BACK	6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
Ia. TYPE OF WORK DR b. TYPE OF WELL	ILL 🖾	DEEPEN		PLUG BA		7. UNIT AGREEMENT NAME	
	AS OTHER					8. FARM OB LEASE NAME	
2. NAME OF OPERATOR						Saguaro "AGS" Fed. Com.	
Yates Petrol	eum Corporatio	n		OCT 25 '	90	9. WELL NO. 8	
105 s. 4th s	Street, Artesia	, New Mexic	:0 88	210		10. FIELD AND POOL, OR WILDCAT	
. LOCATION OF WELL (R At surface	eport location clearly an	d in accordance w	ith any S	itate requirementation		S. Dagger Draw Upper Pe	
660' FSL & 1 At proposed prod. zon	ut. D				11. SEC., T., E., M., OB BLK. AND SURVEY OF AREA Sec. 14-T205-R24E		
Same 4. DISTANCE IN MILES	AND DIRECTION FROM NE.	AREST TOWN OR PO	ST OFFIC	c+		12. COUNTY OF PARISH 13. STATE	
Approximatel	y 31 miles sou	thwest of A	rtesi	a. New Mexico		Eddy NM	
5. DISTANCE FROM PROPO LOCATION TO NEARES	DSED*			OF ACRES IN LEASE		OF ACRES ASSIGNED	
PROPERTY OR LEASE I (Also to hearest drig	INE, FT.	660'			TOTI	TO THIS WELL 320	
S. DISTANCE FROM FROF TO NEAREST WELL, D	OSED LOCATION*		19. PH	OPOSED DEPTH	20. ROTA	RY OR CABLE TOOLS	
OR APPLIED FOR, ON TH	IS LEASE, FT.		8100'		Ro	Rotary	
1. ELEVATIONS (Show when	ether DF, RT, GR, etc.)					22. APPROX. DATE WORK WILL START*	
3619 GR.			-			A.S.A.P.	
		PROPOSED CAS	SING ANI	CEMENTING PROGR	АМ		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER	FOOT	SETTING DEPTH		QUANTITY OF CEMENT	
14-3/4"	9-5/8"	<u>36# J-55</u>		1200		sx circulated	
8-3/4"	7"	<u>26# & 23#</u>		TD	<u>As wa</u>	rranted (see stips)	
	1	K-55 & N-	00		1	Post ID-1 11-3-98 New Loc + API	
1200' of sur If commercia stimulate as <u>Mud Program</u>	I, production ca needed for pro FW Gel/LCM to	ll be set a asing will oduction. o 1200'; FW	nd ce be ru to 4	ment circulate n and cemented 500'; Cut brin	ed to shu 1, will j ne to 75	ut off gravel and cavings.	
ABOVE SPACE DESCRIBE ne. If proposal is to eventer program, if an signer	PROFOSED PROGRAM : If drill or deepen direction y.	proposal is to dee ally, give pertiner	epen or p	lug back, give data on n subsurface locations	present prod and measured	uctive zone and proposed new productive d and true vertical depths. Give blowout 	
(This space for Fede	ral or State office use)						
PERMIT NO.				APPROVAL DATE			
				AREA MARCE		10 311 611	
APPROVED BY CONDITIONS OF APPROV APPROVAL SUBJEC GENERAL REQUIRE SPECIAL STIPULAT	CT T o Emen ts an d			On Reverse Side	ř.	DATE 10 24 90	

Title 180.5.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 COMMINIAN WELL LOCATION AND ACREAGE DEDICATION PLAT

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

		All distances must be f	rom the outer boundaries of	the Section.			
Operator			Lease		Well No.		
YATES	PETROLEUM CORI	ORATION	Saguaro AGS	Federal Com	8		
Unit Letter	Section	Township	Range	County			
0	14	20 South	24 East	Eddy Cour	nty, N.M.		
Actual Footage Loc		+	<u></u>				
. 660	feet from the	South line and	1980 feet	t from the East	line		
Ground Level Elev.	Producing For		Prol	- 0	Dedicated Acreage:		
3619.	Cisc.	Canvon	Asson S. Dagler	Draw class lena	320 Acres		
				11			
1. Outline th	e acreage dedica	ted to the subject we	ell by colored pencil o	r hachure marks on ti	ne 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).						
		ifferent ownership is nitization, force-pooli		have the interests of	all owners been consoli-		
X Yes	No If an	nswer is ''yes,'' type o	f consolidationCor	nmunifization			
If answer	is "no;" list the	owners and tract desc	riptions which have ac	tually been consolid	ated. (Use reverse side of		
	f necessary.)			· _ · · · · · · · · · · · · · · · · · ·			
No allowal	ble will be assign	ed to the well until all	l interests have been c	onsolidated (by com	munitization, unitization,		
	-			,	approved by the Commis-		
sion.	~				••		
	1		1		CERTIFICATION		
	I						
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	1			tained he	rein is true and complete to the		
	l		1		y knowledge and belief.		
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YATES PETROLEUM CORPORATION

Saguaro "AGS" Federal Com. #8 660' FSL and 1980' FEL Section 14, T20S-R24E Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

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

San Andres	528'
Glorieta	2090'
Bone Spring Lime	3437 '
3rd Bone Spring Sand	5168'
Abo	5474'
Wolfcamp Lime	5720'
Canyon Lime	7542'
Canyon Dolomite	7560'
Base Canyon Dolomite	7800 '
TD	8100'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	Approximately 270'			
Oil or Gas:	Wolfcamp, Canyon			

- 4. Proposed Casing Program: See Form 3160-3.
- 5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
- 6. Mud Program: See Form 3160-3.

7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.

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8. Testing, Logging and Coring Program:

Samples: 10' samples from 500' depth to TD.

DST's: As warranted by drilling breaks and shows.

Coring: None.

Logging: CNL-LDT. TD to Casing, with GR-CNL up to surface; DLL with RxO. TD to Casing.

- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN Yates Petroleum Corporation Saguaro ""AGS"" Federal Com. #8 660' FSL and 1980' FEL Section 14-T20S-R24E Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 30 miles southwest of Artesia, New Mexico, and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

- 1. Go south of Artesia for approximately 15 miles on Highway 285 to Rock Daisy Road.
- 2. Turn west and go approximately 8.2 miles to Sawbucks Road.
- 3. Turn south and go approximately 3.5 miles to Pickett Road.
- 4. Turn east and go approximately 1 mile.
- 5. New route starts here.

2. PLANNED ACCESS ROAD

- A. The proposed new access will be approximately 555' in length from point of origin to the southwest edge of the drilling pad. The road will lie in a south to north direction.
- B. The new road will be 14 feet in width (driving surface) and
- will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side.
- D. The route of the road is visible.

Saguaro "AGS" Federal Com. #8 Page 2

- 3. LOCATION OF EXISTING WELL
 - A. There is drilling activity within a one-mile radius of the wellsite.
 - B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.
- 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES
 - A. There are production facilities on this lease at the present time.
 - B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.
- 5. LOCATION AND TYPE OF WATER SUPPLY:
 - A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.
- 6. SOURCE OF CONSTRUCTION MATERIALS:

Private pit located in Section 22-T20S-R24E

- 7. METHODS OF HANDLING WASTE DISPOSAL:
 - A. Drill cuttings will be disposed of in the reserve pits.
 - B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
 - C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
 - D. Oil produced during operations will be stored in tanks until sold.
 - E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
 - F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches of dirt. All waste material will be contained to prevent scattering by the wind.
 - G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

Saguaro "AGS" Federal Com. #8 Page 3

- 8. ANCILLARY FACILITIES:
 - A. None required.
- 9. WELLSITE LAYOUT:
 - A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach. A cross section of drill pad with approximate cuts, fills and pad orientation is shown on Exhibit E.
 - B. The reserve pits will be plastic lined.
 - C. A 400' x 400' area has been staked and flagged.
- 10. PLANS FOR RESTORATION OF THE SURFACE:
 - A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
 - B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been levelled.
 - C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Landowner will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.
- 11. SURFACE OWNERSHIP: Mr. Carl Foster Artesia, New Mexico

Mr. Foster and Yates Petroleum Corporation have reached an agreement on the use of the surface for our well pad and road.

- 12. OTHER INFORMATION:
 - A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
 - B. The primary surface use is for grazing.

Saguaro "AGS" Federal Com. #8 Page 4

- 13. OPERATOR'S REPRESENTATIVE:
 - A. Through A.P.D. Approval:

Ken Beardemphl, Landman Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Phone (505)748-1471 B. Through Drilling Operations, Completions and Production:

Mike Slater, Operations Manager Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Phone (505)748-1471

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

10-09-90

Ken Beardemphl

Date

Landman





THE FOLLCWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- All preventers to be hydraulically operated with secondary manual cont: 1. installed prior to drilling out from under casing.
- Choke outlet to be a minimum of 3" 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 steel. 4. hole or tube a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of that 5.
- required with sufficient volume to operate the B.O.P.'s. All connections to and from preventer to have a pressure rating equival 6.
- 7.
- Inside blowout preventer to be available on rig floor. 8.
- Operating controls located a safe distance from the rig floor Hole must be kept filled on trips below intermediate casing. 9.

EXHIBIT

YATES PETROLEUM CORPORATION



EXHIBIT C

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