

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 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

NOV 28 '90

API NO. (assigned by OCD on New Wells)

30-015-26546

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 ☐

2. Name of Operator

Yates Petroleum Corporation

7. Lease Name or Unit Agreement Name

John "AGU"

8. Well No.

3

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

9. Pool name or Wildcat

So. Dagger Draw Upper Penn

4. Well Location

Unit Letter G : 1980 Feet From The North Line and 1980 Feet From The East Line

Section 14 Township 20S Range 24E NMPM Eddy County

10. Proposed Depth

8100'

11. Formation

Cisco Canyon

12. Rotary or C.T.

Rotary

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

3611

14. Kind & Status Plug. Bond

Blanket

15. Drilling Contractor

Undesignated

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'	925 sacks	Circulated
8 3/4"	7"	26# & 23# N-80	TD	400 sacks	

We propose to drill and test the Cisco Canyon 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 with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW Gel/LCM to 1200'; FW to 3400'; cut Brine to 7200'; SW Gel/Starch to TD.

BOP PROGRAM: BOP's will be installed on the 9 5/8" casing and tested daily 180 DAYS

Post ID-I
12-2-90

PERMIT EXPIRES 5/30/91
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 Beardemph1 TITLE Landman DATE 11-27-90

TYPE OR PRINT NAME Ken Beardemph1 TELEPHONE NO. _____

(This space for State Use)

ORIGINAL SIGNED BY

MIKE WILLIAMS

APPROVED BY SUPERVISOR, DISTRICT II TITLE _____ DATE NOV 30 1990

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT
TIME TO WITNESS CEMENTING THE
9 5/8" CASING

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.

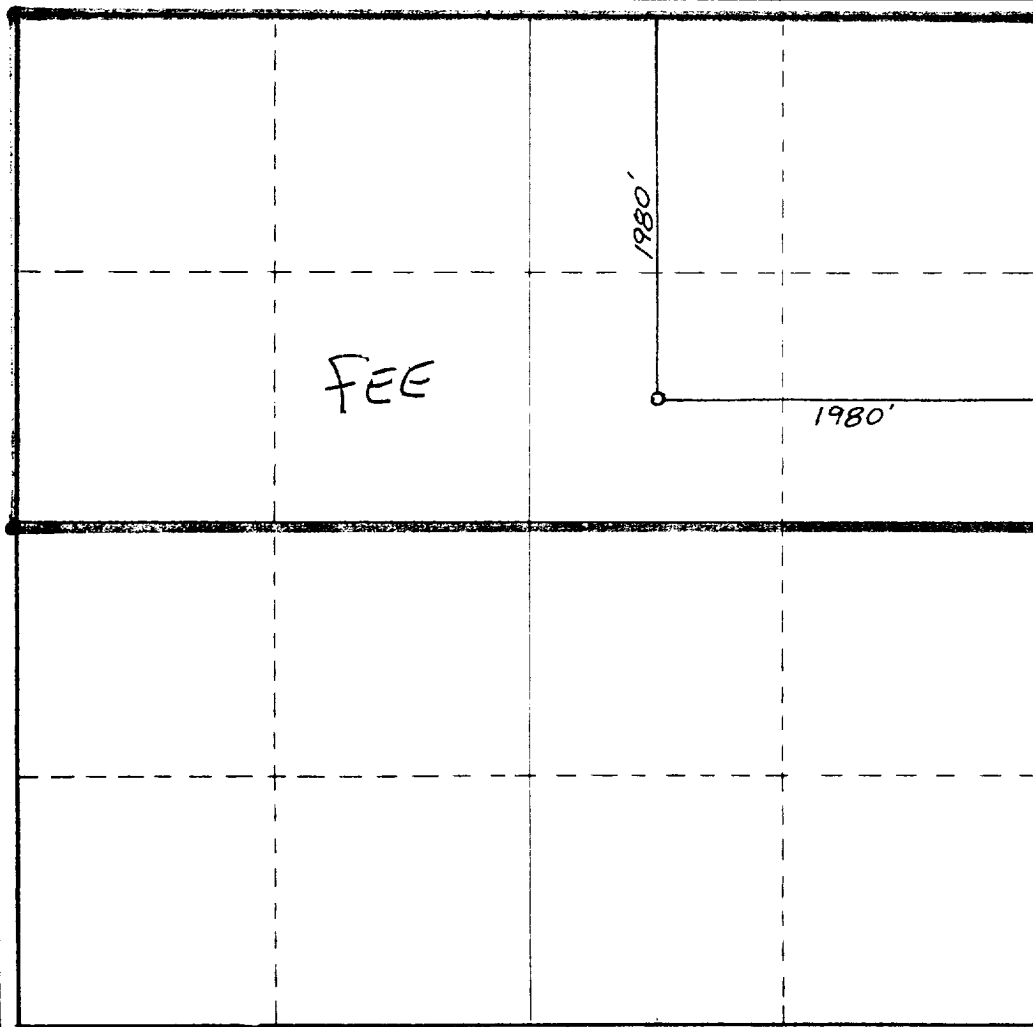
Operator YATES PETROLEUM CORPORATION			Lease John AGU		Well No. 3
Unit Letter G	Section 14	Township 20 South	Range 24 East	County Eddy County, N.M.	
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the East line					
Ground Level Elev. 3611.	Producing Formation Cisco Canyon		Pool South Dagger Draw Upper Penn		Dedicated Acreage: 320 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.

Name
Ken Beardemph1

Position
Landman

Company
Yates Petroleum Corporation

Date
11-27-90

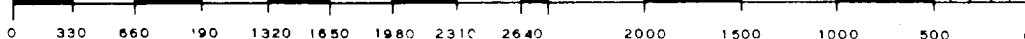
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

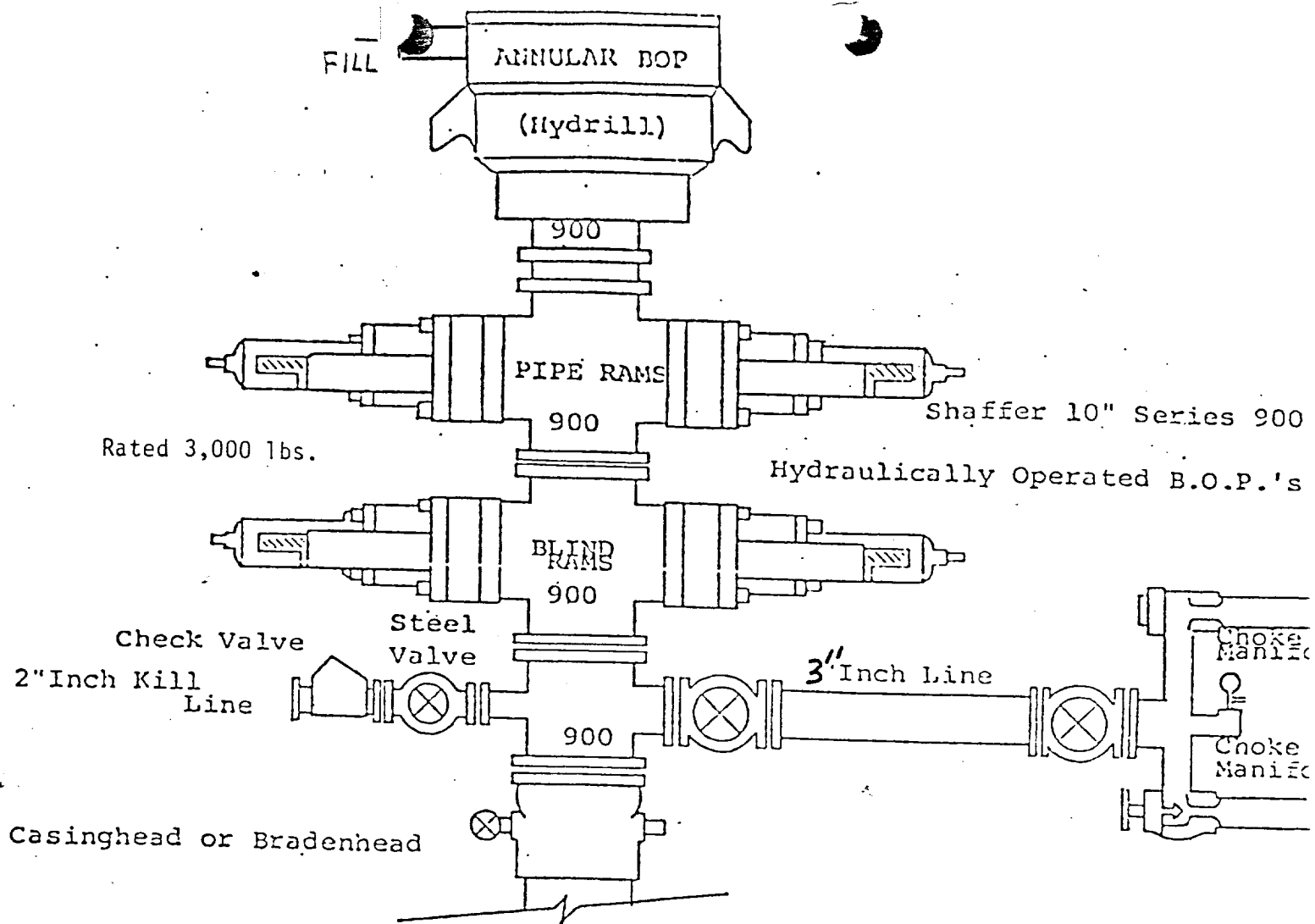
Date Surveyed
November 27, 1990

Registered Professional Engineer and/or Land Surveyor

Don 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 3" 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