

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

APR 12 1991

API NO. (assigned by OCD on New Wells)

30-015-26720

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

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter A : 660 Feet From The North Line and 660 Feet From The East Line
Section 21 Township 20S Range 24E NMPM Eddy County

10. Proposed Depth
8200

11. Formation

Morrow

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3717'

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	1100 sacks	Circulated
8 3/4"	7"	23-26#	TD	As warranted	
		J-55 & N-80			

Yates Petroleum Corporation proposes to drill and test the 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, will perforate and stimulate as needed for production.

MUD PROGRAM: FW Gel/LCM to 1200'; FW to 5000'; cut Brine to 7200'; SW Gel/Starch to TD.

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

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 10/22/91
UNLESS DRILLING UNDERWAY

Post ID-1
4-26-91
New Loc 8
APF

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 4-12-91

TYPE OR PRINT NAME Ken Beardemph1 TELEPHONE NO. 748-1471

(This space for State Use)

ORIGINAL SIGNED BY
MIKE WILLIAMS

APPROVED BY SUPERVISOR, DISTRICT II TITLE DATE APR 22 1991

CONDITIONS OF APPROVAL, IF ANY:

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

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Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

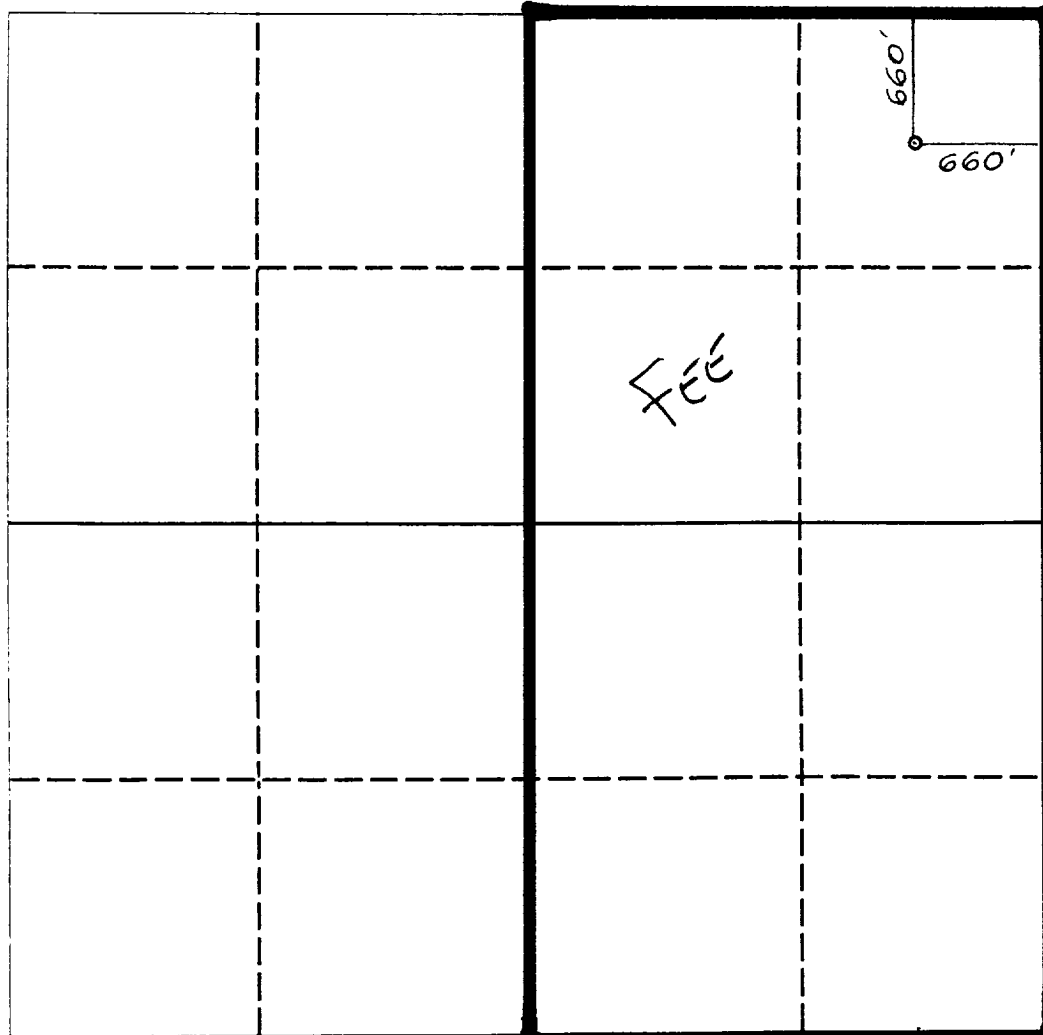
All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease Albert AJH		Well No. 1
Unit Letter A	Section 21	Township 20 South	Range 24 East	County NMPM Eddy County, N.M.	
Actual Footage Location of Well: 660 feet from the North line and 660 feet from the East line					
Ground level Elev. 3717.	Producing Formation Canyon		Pool S. Dagger Draw U/Penn Assoc.		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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

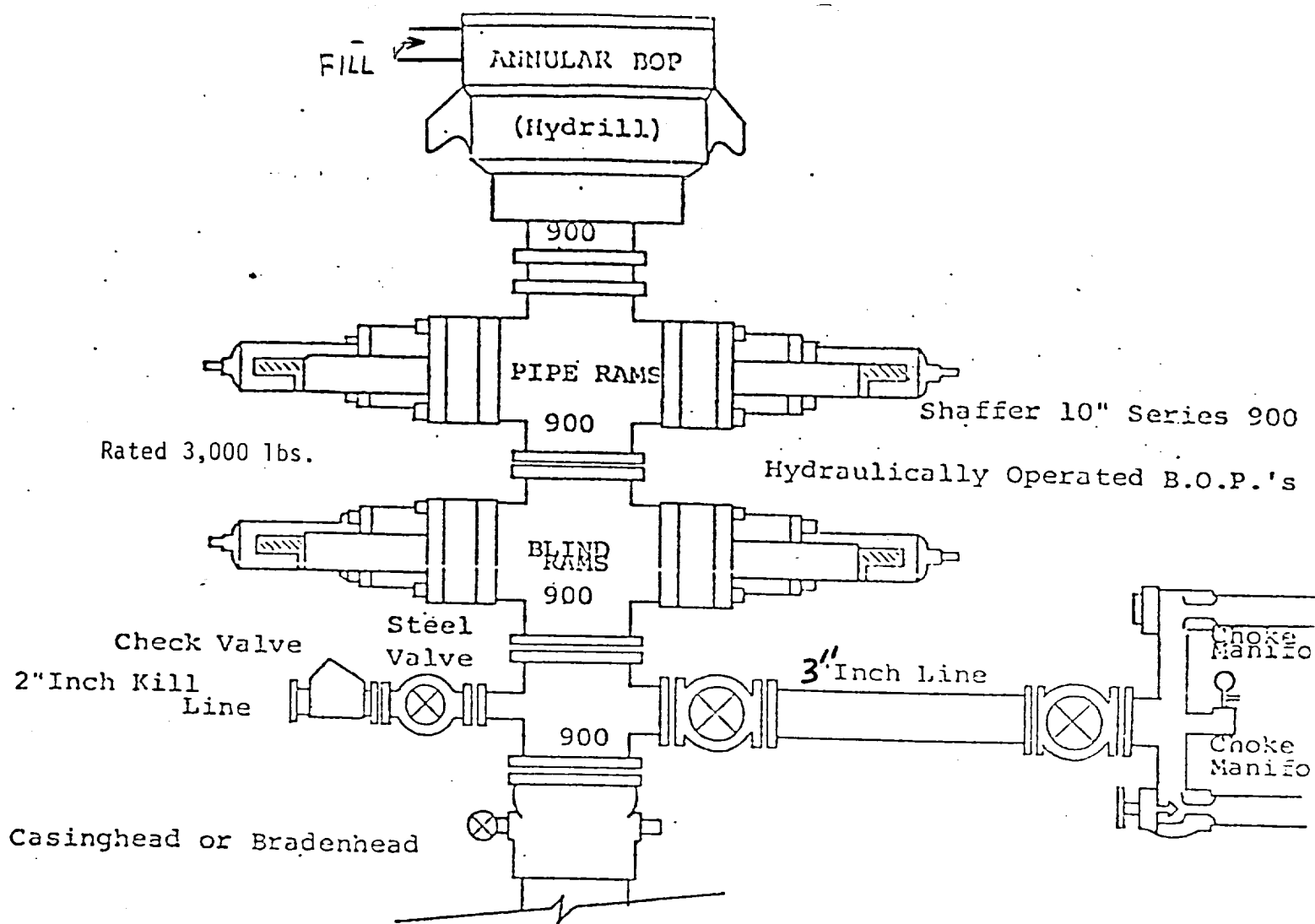
Signature
Ken Beardemphl
Printed Name
Ken Beardemphl
Position
Landman
Company
Yates Petroleum Corp.
Date
4-12-91

SURVEYOR CERTIFICATION

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
April 12, 1991
Signature
REDDY
Professional Surveyor
NEW MEXICO
5412
REGISTERED PROFESSIONAL SURVEYOR
REDDY
5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



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