

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 87508

MAY 14 1991

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

API NO. (assigned by OCD on New Wells)

30-015-26746

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

John "AGU"

2. Name of Operator

Yates Petroleum Corporation

8. Well No.

4

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

9. Pool name or Wildcat

x S. Dagger Draw Uppen Penn

4. Well Location

Unit Letter H : 1980 Feet From The North Line and 660 Feet From The East Line

Section 14 Township 20 South Range 24 East NMPM Eddy County

10. Proposed Depth

8200'

11. Formation

Canyon

12. Rotary or C.T.

Rotary

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

3610' GR

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.

APPROVAL VALID FOR 180 DAYS

PERMIT EXPIRES 11/16/91

UNLESS DRILLING UNDERWAY

Post ID-1  
5-24-91  
show loc  
& APP

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 Beardemph TITLE Landman DATE 5-13-91

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

(This space for State Use)

ORIGINAL SIGNED BY

MIKE WILLIAMS

APPROVED BY SUPERVISOR, DISTRICT II TITLE  DATE MAY 16 1991

CONDITIONS OF APPROVAL, IF ANY:

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

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
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

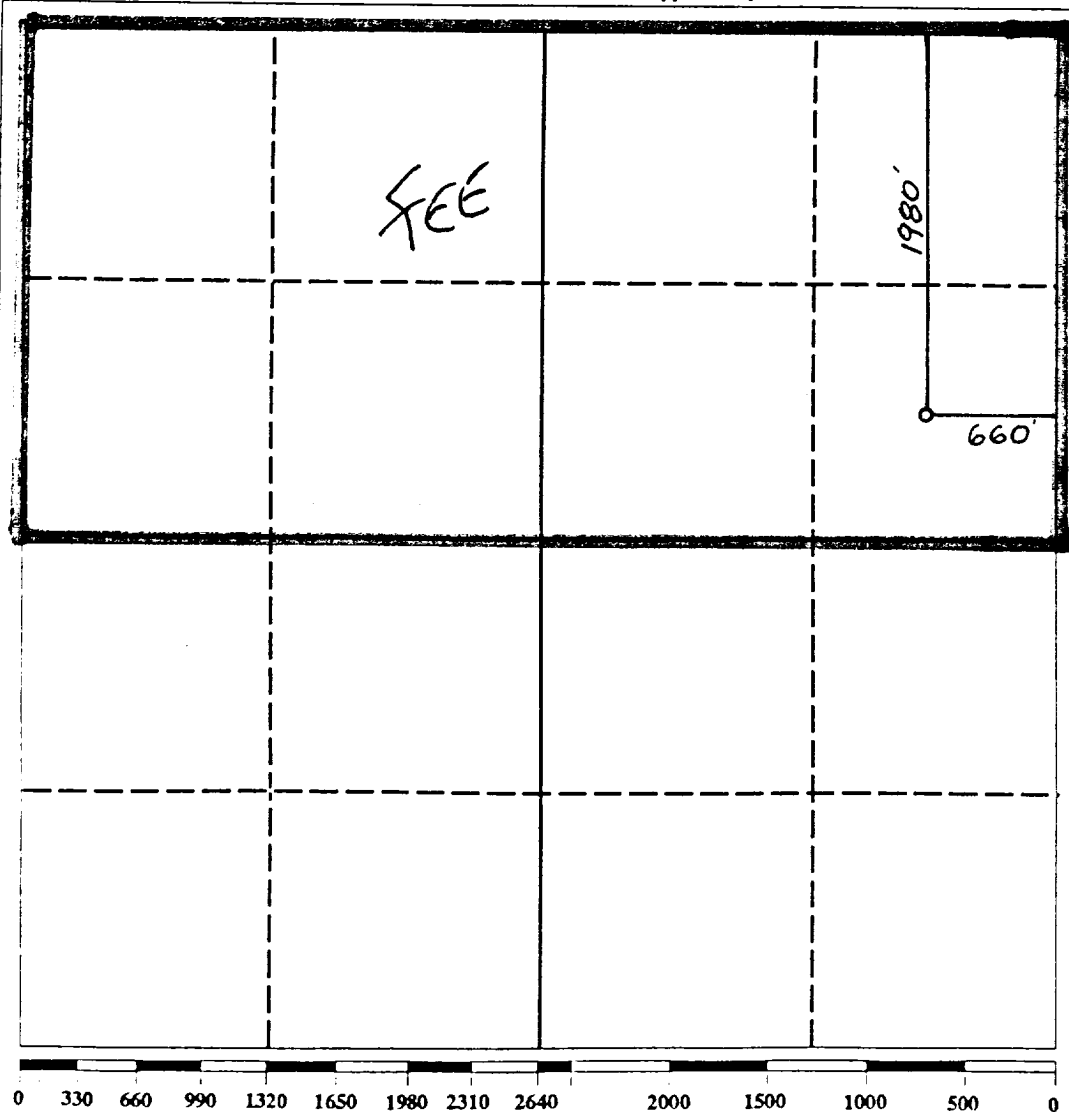
**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>John AGU</b>		Well No. <b>4</b>
Unit Letter <b>H</b>	Section <b>14</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>North</b> line and <b>660</b> feet from the <b>East</b> line					
Ground level Elev. <b>3610.</b>		Producing Formation <b>Cisco Canyon</b>		Pool <b>South Dagger Draw Upper Penn</b>	Dedicated Acreage: <b>320</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 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**

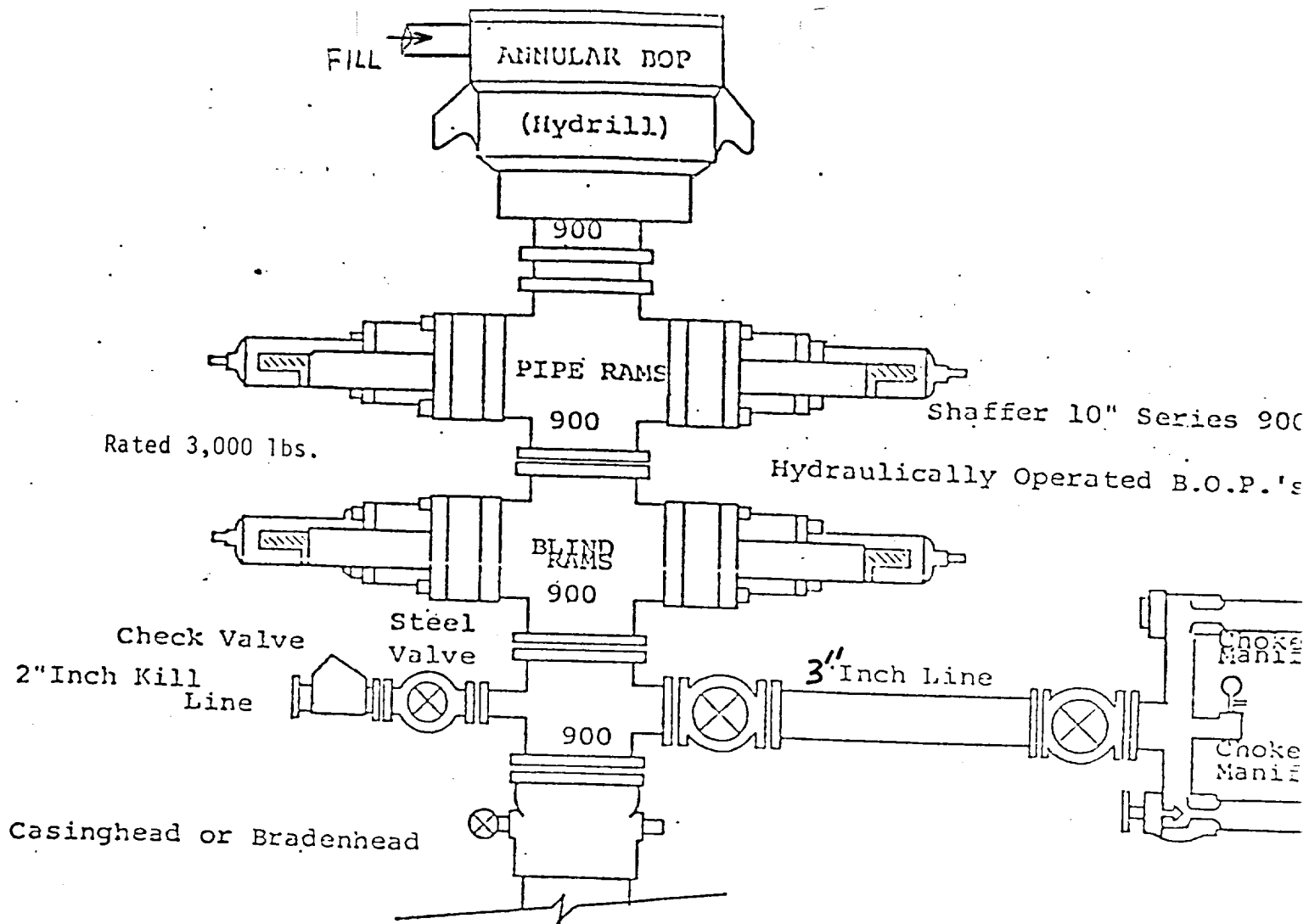
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature  
*Ken Beardemphl*  
Printed Name  
**Ken Beardemphl**  
Position  
**Landman**  
Company  
**Yates Petroleum Corp.**  
Date  
**5-13-91**

**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  
**May 9, 1991**  
Signature & Seal of Professional Surveyor  
*Ken Beardemphl*  
Professional Surveyor  
NEW MEXICO  
RECORDING  
CERTIFICATE  
NO. 5447  
NM P.E.S. NO. 5447



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

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