

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

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

OIL CONSERVATION DIVISION

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

JUL 16 1991

O. C. D.

ARTESIA OFFICE

API NO. (assigned by OCD on New Wells)

30-115-26795

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

LG-1525

7. Lease Name or Unit Agreement Name

State "CO" Com

8. Well No.

6

9. Pool name or Wildcat

N. Dagger Draw Upper Penn

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 H : 1980 Feet From The North

Line and 660

Feet From The East

Line

Section 36

Township 19S

Range 24E

NMPM

Eddy

County

10. Proposed Depth

8,100'

11. Formation

Canyon

12. Rotary or C.T.

Rotary

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

3582'

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 7/24/92

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 7-15-91

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

JUL 24 1991

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT  
TIME TO WITNESS CEMENTING THE

95/8

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WELL LOCATION AND ACREAGE DEDICATION PLAT

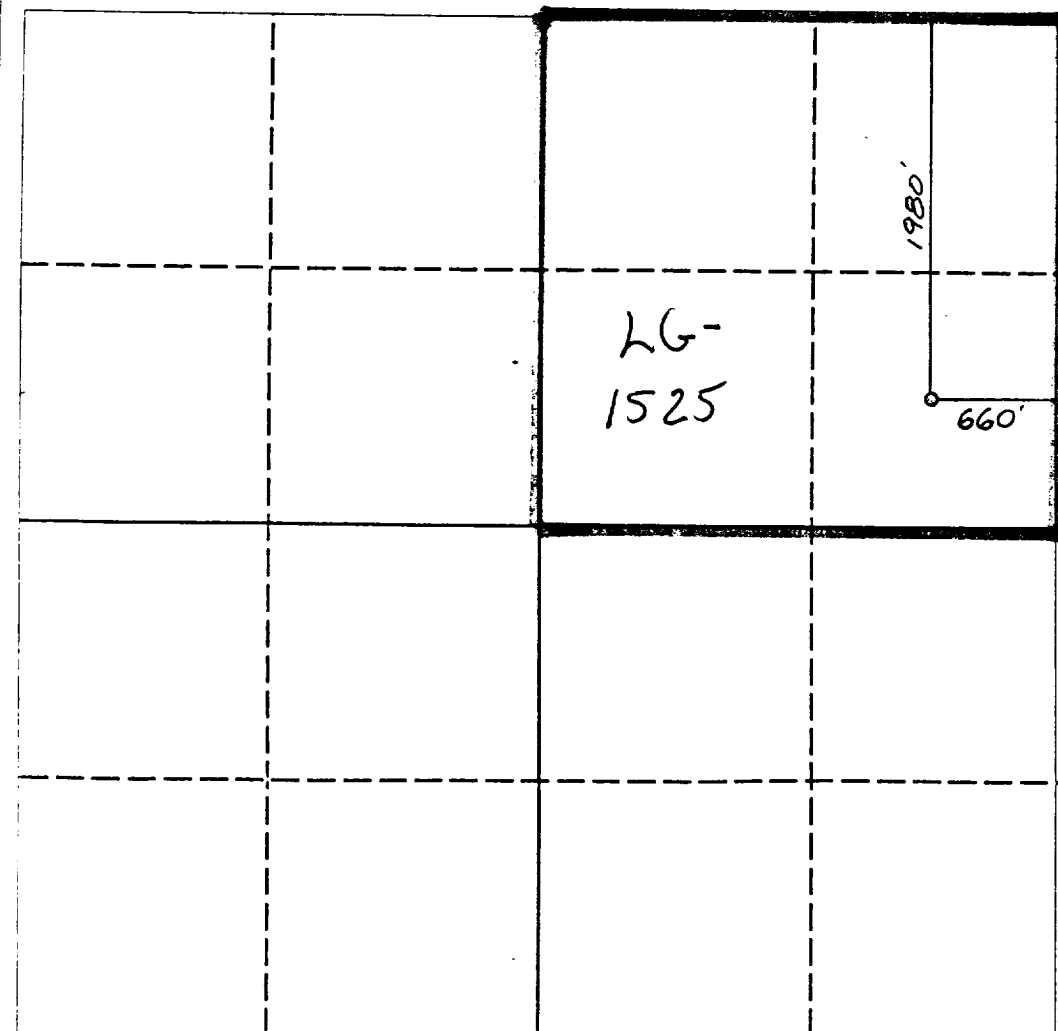
All Distances must be from the outer boundaries of the section

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>STATE C O COM</b>		Well No. <b>6</b>
Unit Letter <b>H</b>	Section <b>36</b>	Township <b>19 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>3582.</b>	Producing Formation <b>Cisco Canyon</b>		Pool <b>N. Dagger Draw Upper Penn.</b>		Dedicated Acreage: <b>160</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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☒ Yes ☐ No If answer is "yes" type of consolidation **Communitization**

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 in true and complete to the best of my knowledge and belief.

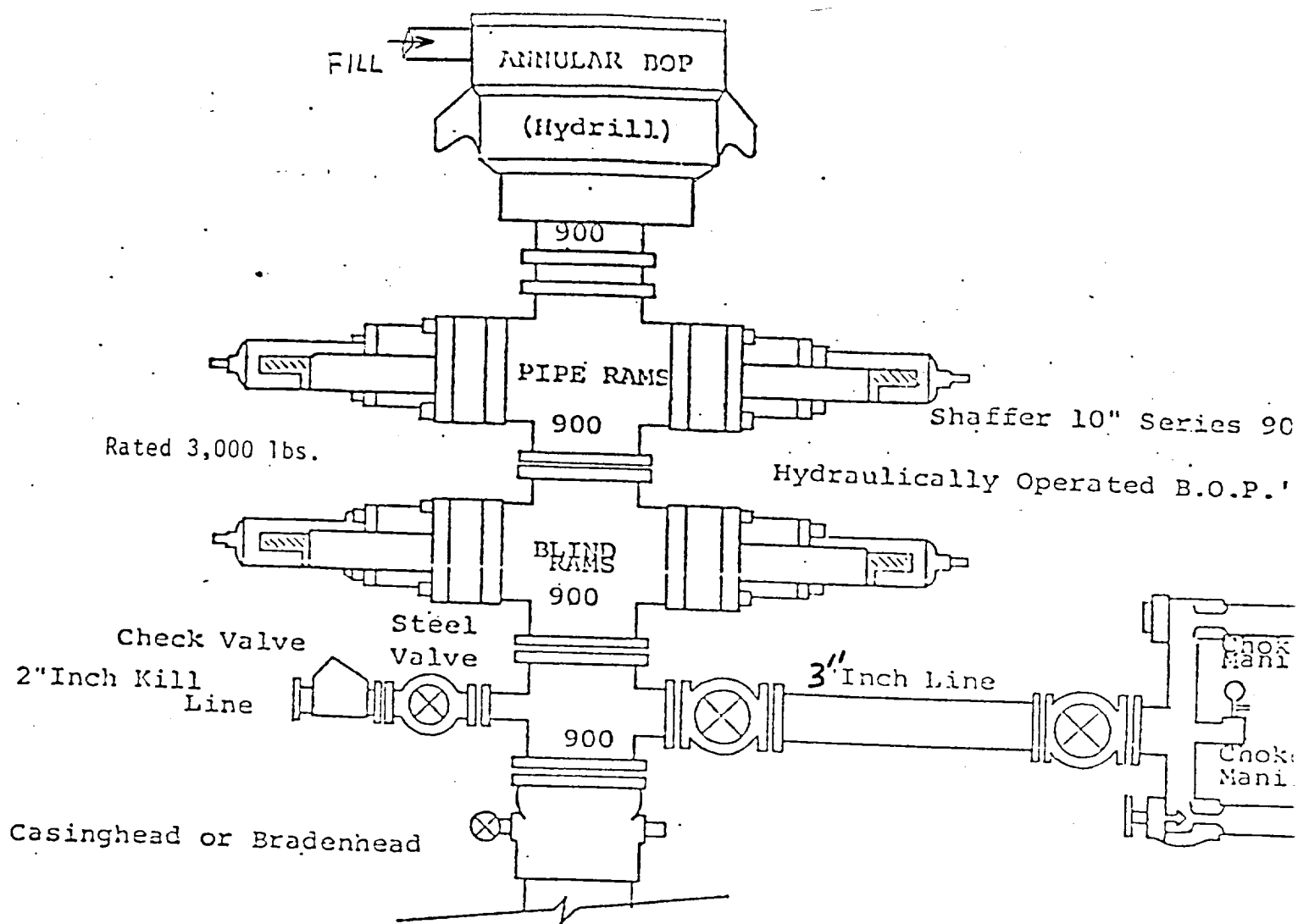
Signature **Ken Beardempfl**  
Printed Name **KEN BEARDEMPFL**  
Position **LANDMAN**  
Company **Yatu Pet. Corp.**  
Date **7-15-91**

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 **JULY 11, 1991**  
Signature of Professional Surveyor **[Signature]**  
Professional Engineer  
N.M. PROFESSIONAL ENGINEER 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