

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Department of Energy, Minerals and Natural Resources

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87501

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

MAR - 2 1992

API NO. (assigned by OCD on New Wells) 30-015-26961
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-9810

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Lease Name or Unit Agreement Name Candelilla AKD State Com			
b. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Well No. 2			
2. Name of Operator Yates Petroleum Corporation		9. Pool name or Wildcat N. Dagger Draw Upper Penn			
3. Address of Operator 105 South Fourth Street, Artesia, New Mexico 88210					
4. Well Location Unit Letter <u>N</u> : <u>660</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>2</u> Township <u>20S</u> Range <u>24E</u> NMPM <u>Eddy</u> County					
10. Proposed Depth 8100'		11. Formation Canyon			
12. Rotary or C.T. Rotary					
13. Elevations (Show whether DF, RT, GR, etc.) 3643'		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	1100'	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 1100' of surface casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: FW gel/LCM to 1100'; FW to 5200'; FW to 5200'; cut Brine to TD.

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

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 9/3/92
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 2-28-92
TYPE OR PRINT NAME Ken Beardemph1 TELEPHONE NO. 748-1471

(This space for State Use) ORIGINAL SIGNED BY
MIKE WILLIAMS
SUPERVISOR, DISTRICT I

APPROVED BY _____ TITLE _____ DATE MAR 3 1992

CONDITIONS OF APPROVAL, IF ANY:

NOTIFY N.M.O.C.D. IN SUFFICIENT
TIME TO WITNESS CEMENTING THE
958

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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

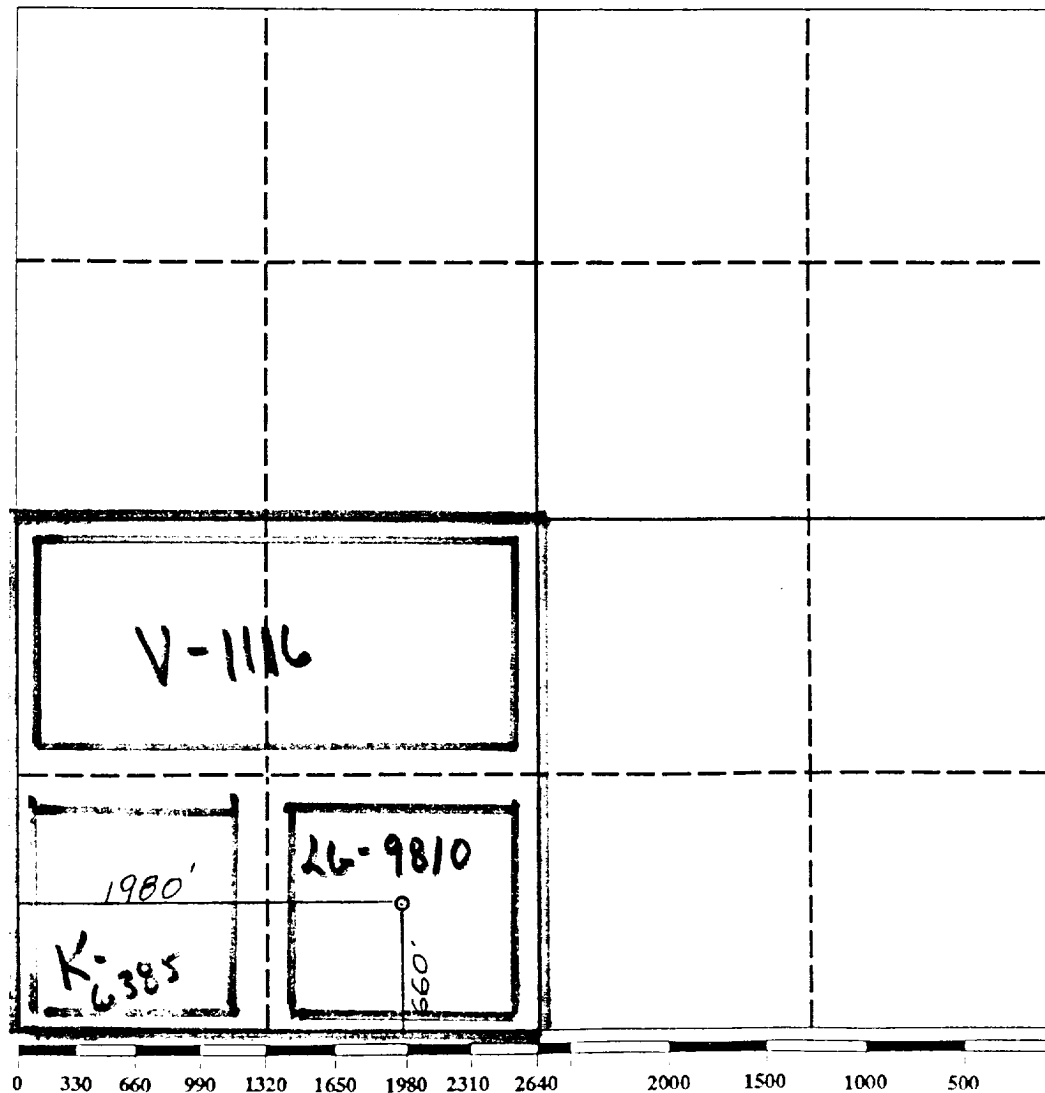
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease CANDELLILA ADK STATE COM		Well No. 2
Unit Letter N	Section 2	Township 20 SOUTH	Range 24 EAST	County EDDY COUNTY, NM	
Actual Footage Location of Well: 660 feet from the SOUTH line and 1980 feet from the WEST line					
Ground level Elev. 3643.	Producing Formation Cisco Canyon		Pool N. Dagger Draw Upper Penn	Dedicated Acreage: 160 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 is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Position

Company

Date

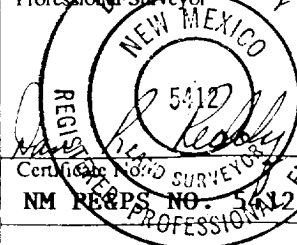
SURVEYOR CERTIFICATION

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

FEBRUARY 26, 1992

Signature & Seal of
Professional Surveyor



BOP STACK

