Form 3160-3 (November 1983) (formerly 9-331C)	DEPARTMEN	TED STATES T OF THE I	NTER	(Oth IOR	IT IN her inst reverse si		30-015 Form approved. Budget Bureau I Expires August 5. LEASE DESIGNATION NM-045275	31, 1985 (),
APPLICATION	N FOR PERMIT	6. IF INDIAN, ALLOTTER	OR TRIBE NAME					
1a. TYPE OF WORK		DEEPEN			JG BAC	· · ·	7. UNIT AGREEMENT N.	
OIL C. WELL X G. W 2. NAME OF OPERATOR	oleum Corpora	ation	813 201		MULTIP	L R	8. FARM OR LEASE NAM CONOCO "AG 9. WELL NO.	K" Federal
3. ADDRESS OF OPERATOR 105 South Fourth Street, Artesia, NM 88210 4. IOSATION OF WELL (Report Location place) and in accordance with our State regularization							11 10. FIELD AND POOL, OR WILDCAT S.Dagger Draw Upper Pe	
At survace 1980' FSL and 1980' FEL At proposed prod. zone Same							Sec. 26-T205	EA
14. DISTANCE IN MILES	and diffection from NEA ely 31 miles				, NM		12. COUNTY OB PABISH Eddy	13. BTATE NM
				OF ACRES IN			OF ACRES ASSIGNED THIS WELL 320	
13. DISTANCE FROM FROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.						1	OTABY OB CABLE TOOLS	
21. ELEVATIONS (Show who	ether DF, RT, GR, etc.)						ASAP	RE WILL START [®]
23. PROPOSED CASING AND CEMENTING PROGRAM							ell Controlled	Notor Basin
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER F	00т	SETTING D			QUANTITY OF CEMEN	T
<u> 14 3/4" </u> 8 3/4"	<u>95/8"</u> 7"	<u>36# J-55</u> 23-26#					<u>sacks (circulated)</u> arranted (See stips)	
- <u>-</u>		J-55 &	N-80			<u> </u>		<u> </u>

Yates Petroleum Corporation proposes to drill and test the Canyon and Intermediate formations. Approximately 1100' 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.

FW gel/LCM to 1100'; FW to 5000'; cut Brine to 7200'; SW gel/Starch to TD. MUD PROGRAM:

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

Post 50-1 7-24-92 Murlie + HPI

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. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any. 24. TITLE Landman 6 - 1 - 92SIGNED DATE (This space for Federal or State office use) PERMIT NO. APPROVAL DATE . 7-14.92 建氯酸酸 的复数 正正的 unter APPROVED BY _ APPROVAL SUBJECT AFOF ANY : GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS *See Instructions On Reverse Side ATTACHED Jee Instructions On Neverse Side Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT 1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section Operator Well No. Lease YATES PETROLEUM CORPORATION CONOCO AGK FEDERAL 11 Unit Letter Section Range Township County 20 SOUTH J 26 24 EAST EDDY COUNTY, NM NMPM Actual Footage Location of Well: 1980 1980 SOUTH EAST feet from the line and feet from the line Ground level Elev. **Producing Formation** Pool Dedicated Acreage: 320 3641. 2° SU 0 2 MM 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, **ຕງ** S unitization, force-pooling, etc.? 184 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 neccessary. 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 pry knowledge and belief. Signature NM.045275 Printed Name en Position ANDMA Company Yates 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 1980 supervison, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed MAY 25 REAR OFR E Signatur Δ 0 Profes 0 Õ ¢. NM PR&PS MA OFESSIG 330 660 **9**90 1980 2310 2000 1500 1000 500 1320 1650 2640 0

Form C-102 Revised 1-1-89

YATES PETROLEUM CORPORATION

Conoco "AGK" Federal #11 1980' FSL and 1980' FEL Section 26-T20S-R24E Eddy County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

- 1. The geological surface formation is Alluvium:
- 2. The estimated tops of geologic markers are as follows:

San Andres	621'
Glorieta	2,241'
Bone Spring Lime	3,726'
3rd Bone Springs Sand	5,748'
Wolfcamp Lime	6,228'
Canyon Lime	7,560'
TD	8,200'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: Approximately 275' Oil or Gas: Canyon

- 4: Proposed Casing Program: See Form 3160-3.
- 5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.
- 6. Mud Program: See Form 3160-3.
- 7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.
- 8. Testing, Logging and Coring Program:

Samples: 10' samples from 400' to TD.

DST's: As warranted by drilling breaks and shows.

Coring: As warranted.

Logging: CNL-LDT from TD to casing, with GR-CNL up to surface; DLL with RxO from TD to casing.

- 9. No abnormal pressures or temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN Yates Petroleum Corporation Conoco "AGK" Federal #11 1980' FSL and 1980' FEL Section 26-T20S-R24E Eddy County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 30 miles southwest of Artesia, New Mexico, and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

- 1. Go south of Artesia on Highway 285 for approximately 15 miles to Rock Daisy Road.
- 2. Turn west and go approximately 8.2 miles to Sawbucks Road.
- 3. Turn South approximately 3.4 miles to Pickett Road.
- 4. Turn east and go approximately 1 mile.
- 5. Turn south on lease road for approximately 1 1/2 miles.
- 6. Turn east to Conoco "AGK" Federal #3 location.
- 7. New road starts here.

2. PLANNED ACCESS ROAD

- A. The proposed new access will be approximately 1000' in length from point of origin to the southeast edge of drilling pad. The road will lie in an east to west direction.
- B. The proposed new access approximately 1000' in length from point of origin to the southwest edge of drilling pad. The road will lie in a north to south direction.
- C. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- D. The new road will be bladed with drainage on sone side. No traffic turnout will be built.

3. LOCATION OF EXISTING WELL

- A. There is drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

- A. There are production facilities on this lease at the present time.
- B. In the event that the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.
- 5. LOCATION AND TYPE OF WATER SUPPLY:
 - A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

Conoco "AGK" Federal #11 Page 2

6. SOURCE OF CONSTRUCTION MATERIALS:

Private pit located in Section 22-T20S-R24E.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allows to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
- D. Oil produced during operations will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES:

- A. A road right-of-way NM-84498 is being amended to include the new road for this location.
- B. A flowline will be laid 25' off the road, buried, 3" steel line and approximately 3000' in length (See Topo plat) or will be laid 25' off the road going to the north buried 3" steel, approximately 1,000' feet in length.
- C. A powerline will be placed up off the road to our Conoco AGK Federal #3 location, being a 3 phase, 480 volt, raptor proof powerline right-of-way approximately 1000' in length.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, the location of the drilling equipment, rig orientation and access road approach. A cross section of a drill pad with approximate cuts, fills and pad orientation is shown on Exhibit E.
- B. The reserve pits will be plastic lined.
- C. A 400' x 400' area has been staked and flagged.

10. PLANS FOR RESTORATION

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been levelled.
- C. If the proposed well is non-productive, all rehabitation and/or vegetation requirements of the BLM will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level within 90 days after abandonment.
- 11. SURFACE OWNERSHIP: BLM (Carlsbad, NM)
- 12. OTHER INFORMATION:
 - A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
 - B. The primary surface use is for grazing.

Conoco "AGK" Federal #11 Page 3

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Ken Beardemphl, Landman Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Phone (505) 748-1471 B. Through Drilling Operations, Completions and Production:

> Mike Slater, Operations Manager Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Phone (505) 748-1471

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

6-1-92

Date

Ken Beardemphl Landman





THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- All preventers to be hydraulically operated with secondary manual 1.
- 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 hole or tube a minimum of one inch in diameter.
- 5. The available closing pressure shall be at least 15% in excess of
- . required with sufficient volume to operate the B.O.P.'s. 6. All connections to and from preventer to have a pressure rating
- 7. Inside blowout preventer to be available on rig floor.
- 8. Operating controls located a safe distance from the rig floor Nole must be kept filled on trips below intermediate casing. 9.

Exhibit B



YATES PETROLEUM CORPORATION

Scola: Inch = 50 feet

Exhibit C

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