			~					í m
Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies	Energy,	State of New Mexico , Minerals and Natural Resources Department			Form C-101 Revised 1-1-89			
DISTRICT I P.O. Box 1980, Hobbs, N DISTRICT II P.O. Drawer DD, Antesia, DISTRICT III 1000 Rio Brazos Rd., Azz	M 88240 NM 88210	CONSERVATIO P.O. Box 208 Santa Fe, New Mexico	8		<u>30-</u> 5. Indicate	015 - 27 Type of Lease		e XX
APPLICA	TION FOR PERMIT	TO DRILL, DEEPEN, C	RPUGBACK		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	mm		m
1a. Type of Work:				<u>.                                    </u>	7. Lease Na	une or Unit A	greement Name	
b. Type of Well:	L X RE-ENTER	C DEEPEN	PLUG BACK					
OIL GAS WELL [	OTHER	SINCLE ZONE	ZONE		Mobil	''AOB''		
2. Name of Operator					8. Well No.			
3. Address of Operator	ROLEUM CORPORAT	ION V	·			2		
105 South	Fourth Street,	Artesia, New Mex	ico 88210		9. Pool nam N. Dag		w Upper Pen	 n
4. Well Location Unit Letter	H: <u>1980</u> Feet F	From The North	Line and	660	Feet	From The	East	Line
Section	L Town	ship 20S Ran	ge 24E	N	MPM	Eddy	, У С	ounty
		10. Proposed Depth 8,200'			mation Canyon		12. Rotary or C.T. Rotary	
13. Elevations (Show wheth 3,581 GR	er DF, RT, GR, etc.)	14. Kind & Status Plug. Bond Blanket	15. Drilling Contr Not Desi	ractor gnat		16. Approx.	Pate Work will start SAP	
17.	PF	OPOSED CASING AN						
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPT			CENENT		<u></u>
14 3/4"	9 5/8''	<u>36</u> # J-55 1,100'			SACKS OF CEMENT		EST. TO Circulat	
8 3/4"	7''	23 & 26# J-55;	-55; TD		As warranted			<u>-u</u>
	1	N-80						

Yate's Petroleum Corporation proposes to drill and test the Canyon and intermediate formations. Approximately 1,100' 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 1,100'; FW to 5,200'; cut Brine to TD.

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

		NLAAZ	
IN ABOVE SPACE DES ZONE, GIVE BLOWOUT PREV	CRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUC ENTER PROGRAM, IF ANY.	BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PROD	UCTIVE
I hereby certify that the inform	nauge above is true and complete to the best of my knowledge and belief.	LANDMAN DATE 11-18-93	
TYPE OR PRINT NAME	Ken Beardemph1	теляноме NO.748-43	348
(This space for State Use)	ORIGINAL SIGNED BY MIKE WILLIAMS SUPERVISOR DISTRICT IN	NOV 2 4 199	93
	SUPERVISOR, DISTRICT IN TIME	APPROVAL VALID FOR <u>180</u> DAYS PERMIT EXPIRES <u>5-24-94</u>	

ID-1 11-26-93 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 1000 Rio Brazos Rd., Aziec, NM 87410 State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89 1

## **OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

YATES PETROLEUM CORPORATION     MOBIL "AOB"     2       Unit Letter     Section     Township     Range     County     EDDY COUNTY, NM       H     1     20 SOUTH     24 EAST     NMPM     County     EDDY COUNTY, NM       Actual Footage Location of Weil:     1     1080     feet from the     NORTH     line and     660     feet from the     EAST     line       Ground level Elev.     Producing Formation     Pool     Pool     Dedicated Acreage:     10.000				nces must be from			ule section			
H       1       20       SOUTH       24       EAST       EDDY COUNTY, NM         Actual Foodge Location of Well:       1980       feet from the NORTH line and 660       feet from the EAST line         Ground level Elev.       Producing Formating       Pool       N. Dayler Draw Upper Inn       Dedicated Acreage:         3581.       Chuise the acreage dedicated to the subject welfy colored peacil or hachure mustuloa the plat below.       Imore than one lease of different ownership is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).       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.?       In answer is "no" if answer is "set" type of consolidation         If answer is "no" if accessary.       No       If answer is "set" type of consolidation       If answer is "set" type of consolidation         If answer is "no" if accessary.       No allowable will be assigned to the well mult 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 CERTIFICAT         No allowable will be assigned to the well could be all owners and the interest, has been approved by the Division.       OPERATOR CERTIFICAT         If answer is "no" if an accession and the advectory and beingt.       Standard unit, eliminating such interest, has been approved by the Division.		TROLEUM C	RPORATION	Lea		"AOB"			Well No. 2	
J980       feet from the       NORTH       line and       660       feet from the       EAST       line         Oround level leve       Producing Formation       Producing formation       Producing formation       Producing formation       Image: Status       Image: Status <td></td> <td>Section 1</td> <td></td> <td>Rar UTH</td> <td></td> <td>Г</td> <td></td> <td>E EDD</td> <td>Y COUNTY, NM</td> <td></td>		Section 1		Rar UTH		Г		E EDD	Y COUNTY, NM	
Cround level Elev.     Producing Formation     Producing     Producing Formation     Producing Formation     Producing Formation     Producing Formation     Producing Formation     Producing Formation     Producing     Producing Formation     Producing     Producing Formation     Producing     Pr	ual Footage Locatio	ion of Well:		L			NM1	<u>M</u>		
Structure vert Elev.       Producing Formation       Pool       Dagter       Draw Upper       Image:		feet from the	NORTH	line and	660		feet fro	om the EAS	T line	
1. Outline the servage dedicated to the subject weighty odored pencil or hachure minimum and 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 "yes" type of consolidated (Use reverse aide of this form if necessary. No allowable will be assigned to the well until all interests have been consolidated (Use reverse aide of this form if necessary. No allowable will be assigned to the well until all interests have been consolidated (by communitization, untilization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division. OPERATOR CERTIFICAT I hareby certify that the is contained herein in true and complete or the description of the description. OPERATOR CERTIFICAT I hareby certify that the bit of moving and being. Company Acts fett. Corp. Date II-/B-?3 SURVEYOR CERTIFICAT I hereby certify that the well can being. Company Acts fett. Corp. Date II-/B-?3 SURVEYOR CERTIFICAT I hereby certify that the well contained herein in true and complete or the best of my know being. Date of the store of the moving of the time of the time and complete the provide and being. I hereby certify that the well contained herein in true and complete the provide of the time and complete the provide of the time in true and complete the provide of the time of the provide of the time of the provide of the time in true and complete the provide of the time of the provide of the tinterest. Survey Concentrification thereby certify that the we		Produ	ing Formation	Poo	1. O	Ν		0	Dedicated Acreage:	·····
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## YATES PETROLEUM CORPORATION



typical choke manifold assumby for 14 rated working pressure service-surface installation

## EXHIBIT B

## THE FOLLOWING CONSTITUES THE MINIMUM BLOWOUT PREVENTER REQUIREMENTS FOR 3000 PSI WP SYSTEMS

- 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 3" minimum diameter.
- 4. All connections from operating manifolds to preventers to be all steel. Hole or tube to be 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.
- Operating controls to be located a safe distance from the rig floor.
- 9. Hole must be kept filled on trips below intermediate casing.