

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

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

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

NOV 19 1993

API NO. (assigned by OCD on New Wells)

30-015-27758

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

Mobil "AOB"

8. Well No.

2

2. Name of Operator

YATES PETROLEUM CORPORATION ✓

3. Address of Operator

105 South Fourth Street, Artesia, New Mexico 88210

9. Pool name or Wildcat

N. Dagger Draw Upper Penn

4. Well Location

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

Section 1 Township 20S Range 24E NMPM Eddy County

10. Proposed Depth  
8,200'

11. Formation  
Canyon

12. Rotary or C.T.  
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)  
3,581 GR

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	1,100'	1,100 sacks	Circulated
8 3/4"	7"	23 & 26# J-55;	TD	As warranted	
		N-80			

Yates 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.

20-1  
11-26-93  
NLM/AVZ

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 Beardemphl

TITLE

LANDMAN

DATE 11-18-93

TYPE OR PRINT NAME

Ken Beardemphl

TELEPHONE NO. 748-4348

(This space for State Use)

ORIGINAL SIGNED BY

MIKE WILLIAMS

SUPERVISOR, DISTRICT II

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY

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

NOV 24 1993

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 5-24-94  
UNLESS DRILLING UNDERWAY

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WELL LOCATION AND ACREAGE DEDICATION PLAT

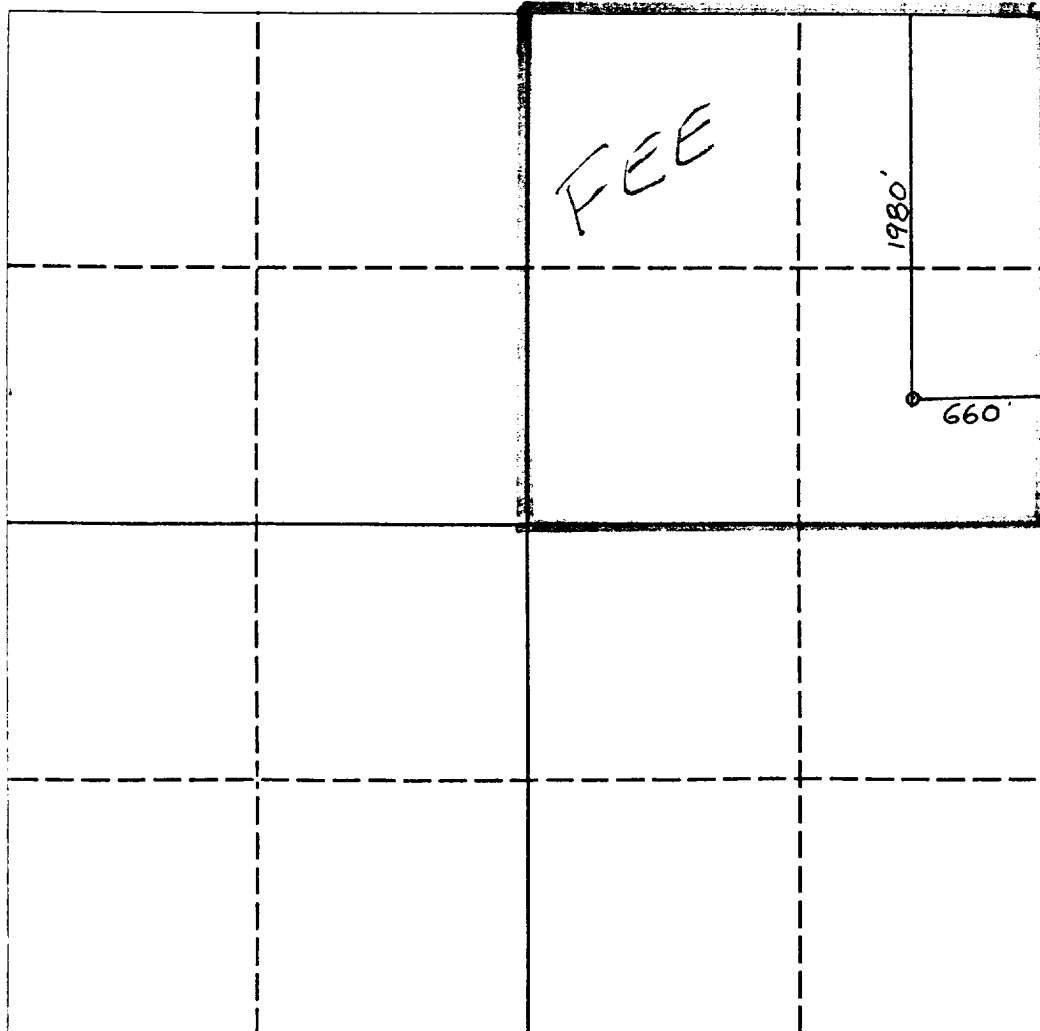
All Distances must be from the outer boundaries of the section

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>MOBIL "AOB"</b>		Well No. <b>2</b>
Unit Letter <b>H</b>	Section <b>1</b>	Township <b>20 SOUTH</b>	Range <b>24 EAST</b>	County <b>EDDY COUNTY, NM</b>	

Actual Footage Location of Well:

1980 feet from the	NORTH	line and	660 feet from the	EAST	line
Ground level Elev. <b>3581.</b>	Producing Formation <b>Cisco Canyon</b>		Pool <b>N. Dagger Draw Upper Penn</b>	Dedicated Acreage: <b>160</b> Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease 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.?  
☐ 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.

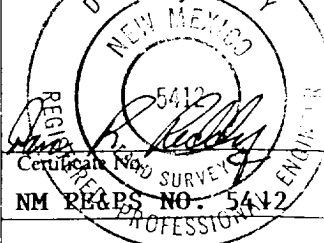
Signature **Ken Beardemphl**  
Printed Name **Ken Beardemphl**  
Position **Landman**  
Company **Yates Pet. Corp.**  
Date **11-18-93**

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.

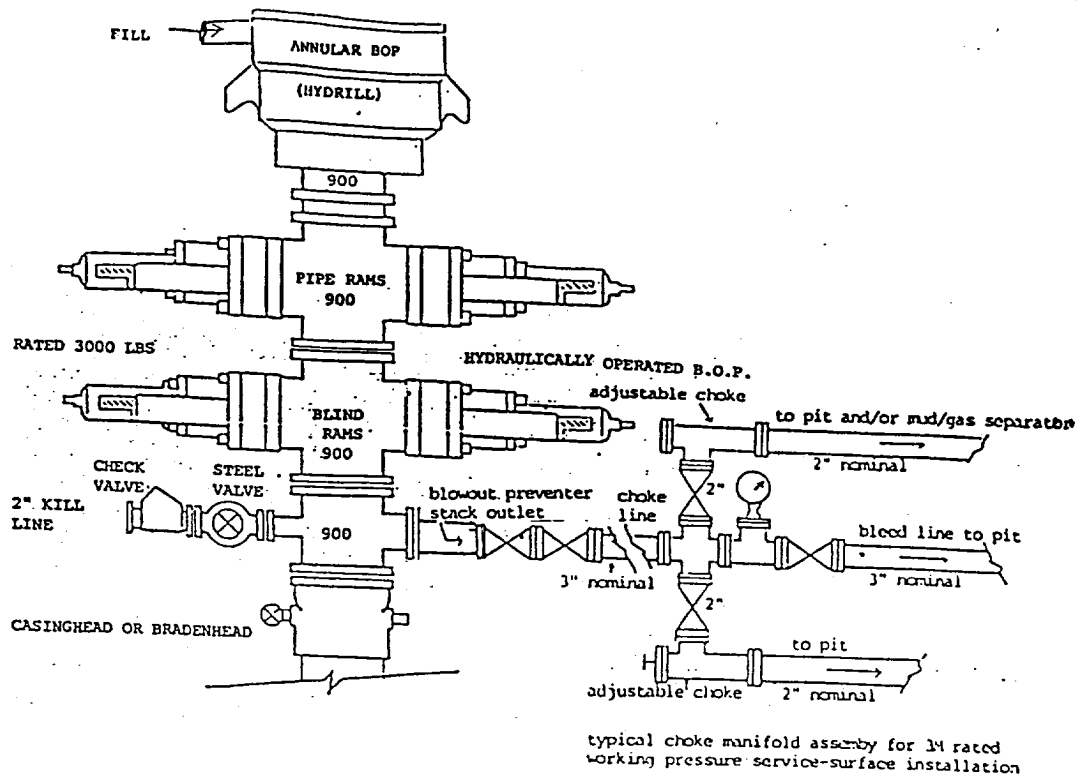
Date Surveyed  
**NOVEMBER 16, 1993**

Signature & Seal of  
Professional Surveyor



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

# YATES PETROLEUM CORPORATION



## EXHIBIT B

### THE FOLLOWING CONSTITUTES 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.
8. Operating controls to be located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing.