

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-101  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		OGRID Number 025575
Property Code 11996	Property Name Amole "AMM" State Com.	API Number 30-015-78542
		Well No. #4

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	19S	25E		1980'	South	660'	East	Eddy

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Proposed Pool 1

Dagger Draw; Upper Penn, North 15472

Proposed Pool 2

Work Type Code N	Well Type Code O	Cable/Rotary Rotary	Lease Type Code S	Ground Level Elevation 3476
Multiple No	Proposed Depth 8300'	Formation Canyon	Contractor Not Determined	Spud Date ASAP

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
14 3/4"	9 5/8"	36# J-55	1150	1100 sx	Circulated
8 3/4"	7"	23#, 26# J-55, N-80	TD	1350 sx	Circulated

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Yates Petroleum Corporation wishes to drill and test the Canyon and intermediate formations. Approximately 1150' 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 1150'; FW to 5200'; Cut brine/KCL to 7200'; Cut brine/KCL Starch to TD.

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

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Ken Beardemphl</i>		OIL CONSERVATION DIVISION	
Printed name: Ken Beardemphl		Approved by: ORIGINAL SIGNED BY TIM W. GUM	
Title: Landman		Title: DISTRICT II SUPERVISOR	
Date: 6-5-95	Phone: 505-748-1471	Approval Date: JUN 12 1995	Expiration Date: 12-12-95
		Conditions of Approval: Notify N.M.O.C.C. in writing time to witness cementing	

District I  
PO Box 1980, Hobbs, NM 88240-2980  
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1000 Rio Grande Rd., Aztec, NM 87410  
District IV  
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State of New Mexico  
Energy, Minerals & Natural Resources Department

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Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
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State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-28542		Pool Code 15472	Pool Name Dagger Draw; Upper Penn, North
Property Code	Property Name AMOLE AMM STATE COM		Well Number 4
OGRID No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3476.

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	16	19S	25E		1980	SOUTH	660	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <sup>13</sup> Joint or Infill <sup>14</sup> Consolidation Code <sup>15</sup> Order No.

160

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Ken Beardemphl</i></p> <p>Signature Ken Beardemphl</p> <p>Printed Name Landman</p> <p>Title 6-5-95</p> <p>Date</p>
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>MAY 31 1995</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>NEW MEXICO REGISTERED LAND SURVEYOR 5412 ENGINEER</p> <p>5412</p> <p>NEW MEXICO PE&amp;PS NO. 5412</p>

# YATES PETROLEUM CORPORATION

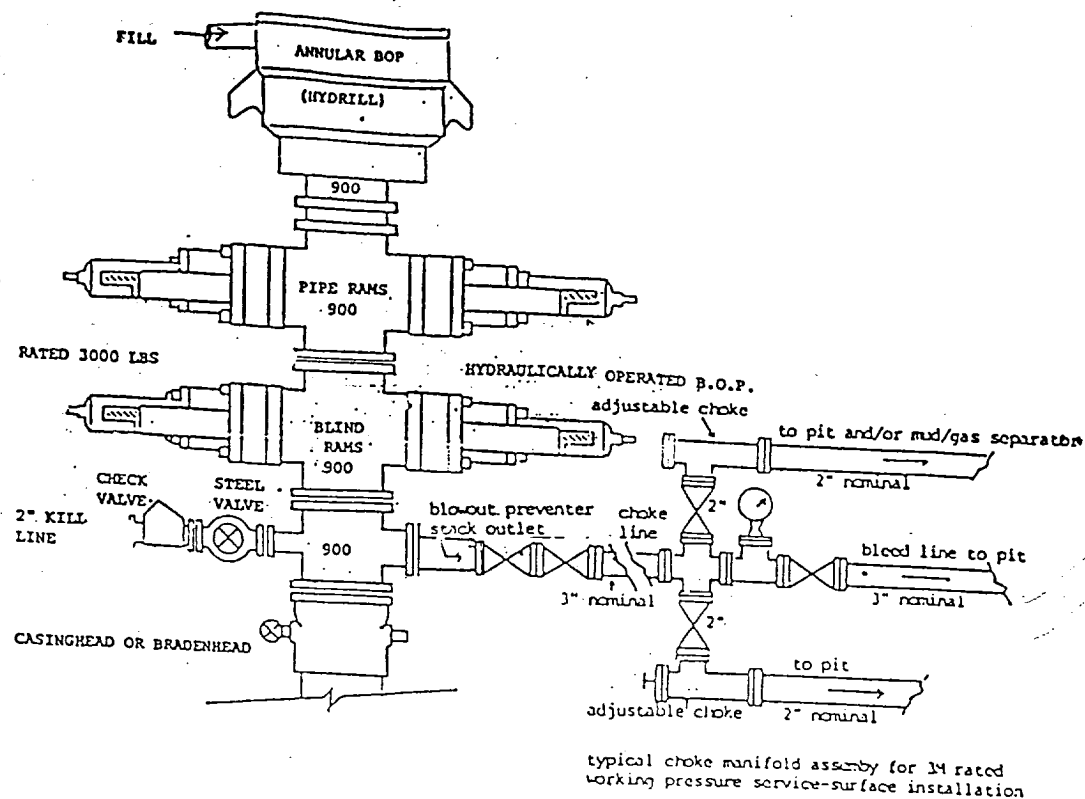


EXHIBIT B

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.