

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

0
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

5. Lease Serial No.
NM-82902

6. If Indian, Allottee or Tribe Name
Not Applicable

7. If Unit or CA Agreement, Name and No.
Not Applicable

8. Lease Name and Well No. **29903**
Domino AOJ Fed. Com. #6

2. Name of Operator
Yates Petroleum Corporation 25575

3A. Address **105 South Fourth Street**
Artesia, New Mexico 88210

3b. Phone No. (include area code)
(505) 748-1471

9. API Well No.
30-015-31658

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **1880' FSL & 1980' FEL**

At proposed prod. Zone **same as above**

10. Field and Pool, or Exploratory
Wildcat Mississippian

11. Sec., T., R., M., or Blk, and Survey or Area
Section 9, T19S-R31E

14. Distance in miles and direction from nearest town or post office*

15 miles southeast of Loco Hills, NM

12. County or Parish
Eddy

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft.
(Also to nearest drig. unit line, if any) **1980'**

16. No. of Acres in lease
240.00

17. Spacing Unit dedicated to this well
E/2 320

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
1 mile

19. Proposed Depth
12,350

20. BLM/BIA Bond No. on file
585997

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3550' GL

22. Approximate date work will start*
ASAP

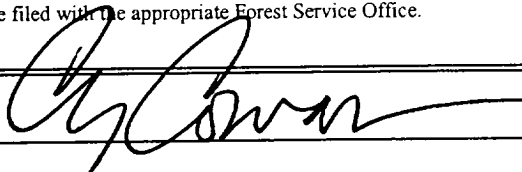
23. Estimated duration
60 Days

24. Attachments

Capitan County "Red" Map

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized office.

25. Signature  Name (Printed/Typed) **Cy Cowan** Date **1/12/01**

Title: **Regulatory Agent**

Approved by (Signature) **/s/ LESLIE A. THEISS** Name (Printed/Typed) **LESLIE A. THEISS** Date **1/10/01**

Title **REGULATORY AGENT** Office **CARLSBAD FIELD OFFICE**

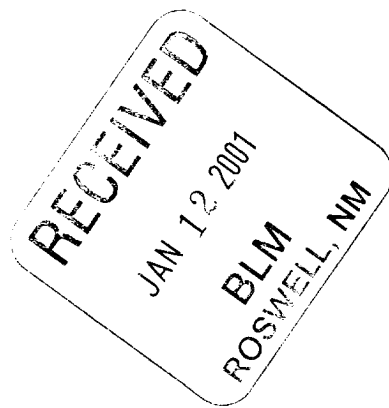
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

RECEIVED
ARTESIA
1/12/01



DISTRICT II

811 South First, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87506

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat Mississippian
Property Code	Property Name DOMINO "AQJ" FEDERAL COM.	Well Number 6
OGED No. 025575	Operator Name YATES PETROLEUM CORPORATION	Elevation 3550

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	9	19S	31E		1880	SOUTH	1980	EAST	EDDY

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

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>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>Cy Cowan</i> Signature</p> <p>Cy Cowan Printed Name</p> <p>Regulatory Agent Title</p> <p>January 9, 2001 Date</p>	
	<p>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>12/11/2000 Date Surveyed</p> <p>Signature & Seal of Professional Surveyor HERSCHEL L. JONES NEW MEXICO 3640 Certificate No. Herschel L. Jones RLS 3640 DOMINO 6 DISK 36 GENERAL SURVEYING COMPANY</p>	
	<p>NM-82902</p>	
	<p>NM-94614</p>	

YATES PETROLEUM CORPORATION

Domino "AOJ" Federal Com. #6

1880' FSL & 1980' FEL

Sec. 9-T19S-R31-E

Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Yates	2340'
Queen	3450'
Bone Springs	6750'
Wolfcamp	9900'
Strawn	10900'
Atoka	11100'
Morrow Clastic	11650'
Chester	12150'
TD	12350'

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

Water: Approx 250' - 350'
Oil or Gas: All Potential Zones

3. Pressure Control Equipment: BOPE will be installed on the 8 5/8" casing and rated for 5000 BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout Preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Coupling</u>	<u>Interval</u>	<u>Length</u>
17 1/2"	13 3/8"	48#	H-40	ST&C	0-550'	550'
12 1/4"	8 5/8"	32#	J-55	ST&C	0-3450'	3450'
7 7/8"	5 1/2"	17#	L-80	LT&C	0-3000'	3000'
7 7/8"	5 1/2"	17#	J-55	LT&C	3000-7300'	4300'
7 7/8"	5 1/2"	17#	N-80	LT&C	7300-10200'	2900'
7 7/8"	5 1/2"	17#	S-95	LT&C	10200-11100'	900'
7 7/8"	5 1/2"	20#	P-110	LT&C	11100-12350'	1250'

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Joint Strength 1.8

B. CEMENTING PROGRAM:

Surface casing: 250 sx Lite (Yld 2.01 Wt.12.4) Tail in w/200 sc "C" (Yld 1.34 Wt 14.8)

Intermediate Casing: 1300 sx Lite (Yld 2.06 Wt 12.4); Tail in w/200 sx "C" (Yld 1.32 Wt. 14.8)

Production Casing: TOC=9400'; 400 sx Super "C" (Yld 1.67 wt. 13.0).

5. Mud Program and Auxiliary Equipment:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-550'	FW/Spud Mud	8.4-9.0	32-36	N/C
550'-3450'	Brine	10.0-10.2	28	N/C
3450'-10900'	Cut Brine	8.8-9.2	28	N/C
10900'-TD	Salt Gel/Starch/Drispac	9.5-10.0	32-40	<12cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10 samples out from under surface casing.
 Logging: GR, NEUTRON, DENSITY, LATERLOG.
 Coring: Possible sidewell cores.
 DST's: As warranted.

7. Abnormal Conditions, Bottom hole pressure and potential hazards:

Anticipated BHP:

From: O	TO: 550	Anticipated Max. BHP:	240	PSI
From: 550	TO: 3450	Anticipated Max. BHP:	1800	PSI
From: 3450'	TO: TD	Anticipated Max. BHP:	6400	PSI

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None.

H2S Zones Anticipated: None

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 45 days to drill the well with completion taking another 15 days.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation

Domino "AOJ" Federal Com. #6

1880' FSL & 1980' FEL

Sec. 9-T19S-R31-E

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 the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 16 miles southeast of Loco Hills, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go east of Loco Hills on Highway 82 approx. 4.8 miles to County Road (222) Sugart Road. Turn south and go approx. 10 miles cattleguard on right. Turn west go through cattleguard and continue on caliche road for approx. .3 of a mile. New road starts here.

2. PLANNED ACCESS ROAD.

- A. No access road will be needed.
- B. N/A
- C. N/A
- D. N/A
- E. N/A

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, the necessary production facilities will be installed on the drilling pad. If 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.

6. SOURCE OF CONSTRUCTION MATERIALS:

Dirt contractor will locate closest pit and obtain any permits and materials needed for construction.

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed 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: None.

9. WELLSITE LAYOUT: The location was moved to this current location per the onsite with Mr. Barry Hunt on December 14, 2000.

- 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.
- 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 leveled.
- C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Federal surface, Administered by the Bureau of Land Management, Carlsbad, New Mexico.

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.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Cy Cowan, Regulatory Agent

Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

B. Through Drilling Operations,
Completions and Production:

Pinson McWhorter,
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 drill site 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.

01/10/01

Cy Cowan by Pat McWhorter
Regulatory Agent

Yates Petroleum Corporation
Domino "AOJ" Fed. Com. #6
1080' FSL & 1980' FEL
Section 9-T19S-R31E
Eddy County, New Mexico
NM-82902

IR. WESTALL (OPER)
CULWIN (GR.) UNIT

"Hole-Fed." U.S.

NO. HACKBERRY UNIT

SOUTHWEST ROY.
(OPER.)

NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

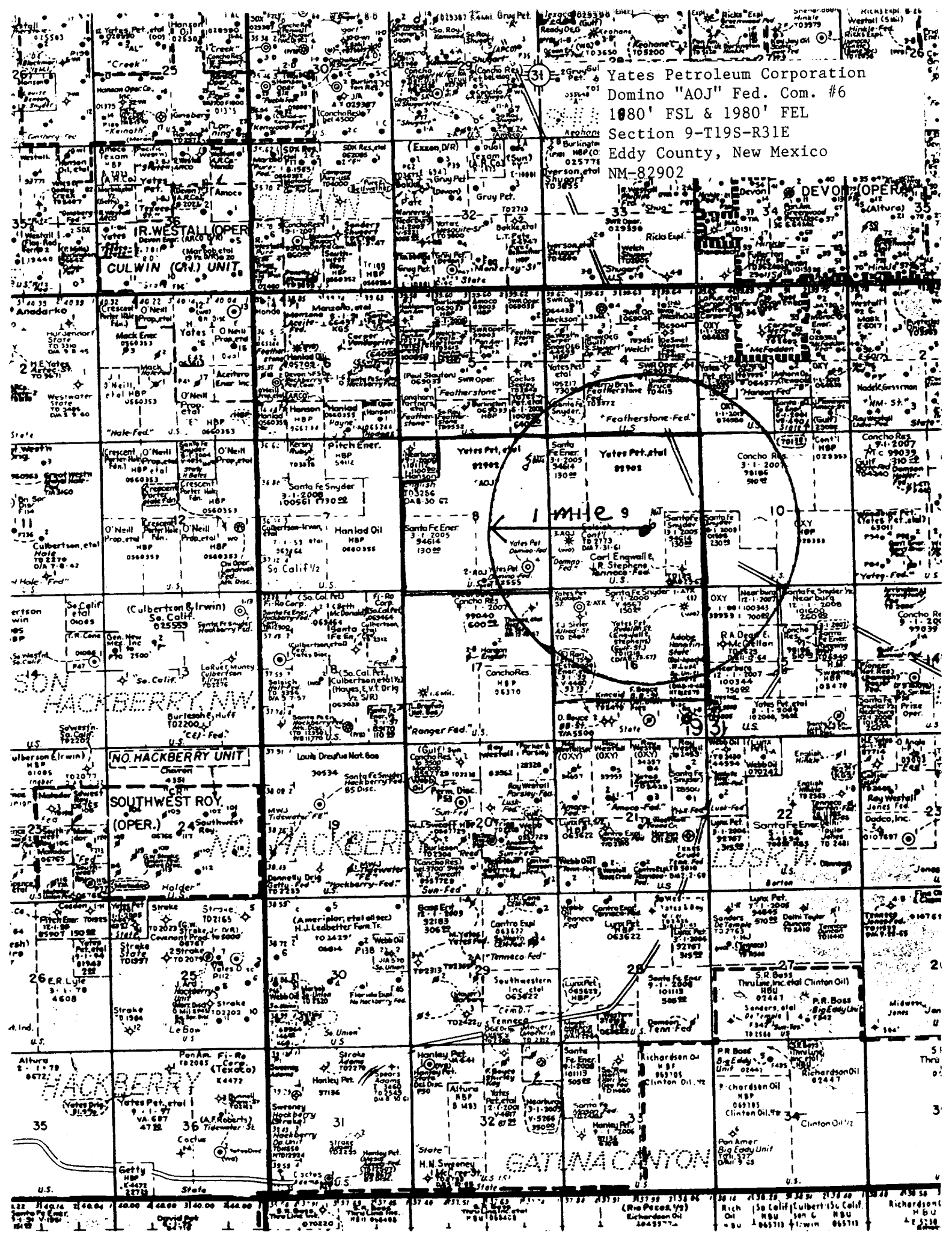
NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

NO. HACKBERRY UNIT

1 mile

GATINA CANYON



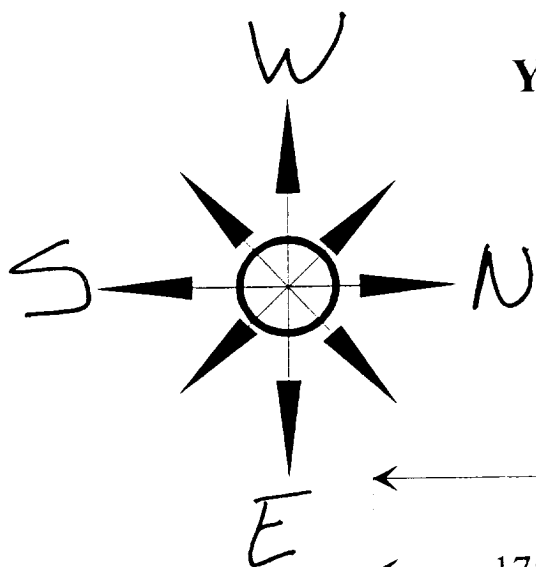
PB - L2

Yates Petroleum Corporation

Location Layout for Permian Basin

12,000' to 14,000'

Yates Petroleum Corporation
Domino "AOJ" Fed. Com. #6
1880' FSL & 1980' FEL
Section 9-T19S-R31E
Eddy County, New Mexico
NM-82902



Pits to the South.

