

**OIL CONS. COMMISSION**  
**DRAWER DO**  
**ARTESIA, NM 88210**

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**SUBMIT IN TRIPLICATE\***  
(Other instructions on reverse side)

**FORM APPROVED**  
**OMB NO. 1004-0136**  
**Expires: February 28, 1995**

**APPLICATION FOR PERMIT TO DRILL OR DEEPEN**

1a. TYPE OF WORK  
**DRILL** ☒ **DEEPEN** ☐

b. TYPE OF WELL  
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR  
**YATES PETROLEUM CORPORATION**

3. ADDRESS AND TELEPHONE NO.  
**105 South Fourth Street, Artesia, New Mexico 88210**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
At **1980' FSL and 1090' FEL**  
At proposed prod. zone **Same**

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
**Approximately 33 miles NW of Carlsbad, New Mexico**

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
**Non-standard location... Unit 25575**

16. NO. OF ACRES IN LEASE  
**25575**

17. NO. OF ACRES ASSIGNED TO THIS WELL  
**320**

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
**8900'**

19. PROPOSED DEPTH  
**8900'**

20. ROTARY OR CABLE TOOLS  
**Rotary**

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
**4409**

22. APPROX. DATE WORK WILL START\*  
**ASAP**

5. LEASE DESIGNATION AND SERIAL NO.  
**NM-78215**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME  
**12365**

8. FARM OR LEASE NAME, WELL NO.  
**Hickory ALV Federal #6**

9. AM WELL NO.  
**30-015-28312**

10. FIELD AND POOL, OR WILDCAT  
**Indian Basin Upper Penn Assoc. Pool 33685**

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**Sec. 18-T22S-R24E**

12. COUNTY OR PARISH  
**Eddy**

13. STATE  
**NM**

**PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	350'	350 sacks <u>circulated</u>
12 1/4"	9 5/8"	36#	3750'	1000 sacks <u>circulated</u>
8 3/4"	7"	23 & 26#	8900'	1500 sacks ( <u>tie back into 95/8"</u> )

Yates Petroleum Corporation proposes to drill and test the Morrow and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and cavings. We will run intermediate casing and if commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

**MUD PROGRAM:** FW Spud to 350'; FW to 7400'; Cut Brine to 8250'; Salt/Gel/Starch to TD.

**BOP PROGRAM:** BOP's will be installed and tested daily.

*Post ID-1  
2-3-95  
New LHC + API*

IN ABOVE SPACE, DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. *[Signature]* SIGNED Landman TITLE 11/22/94 DATE

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
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: **APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED**

*/s/* (ORIG. SGD.) **RICHARD L. MANIS** TITLE **AREA MANAGER** DATE **1-17-95**

\*See Instructions On Reverse Side

District I  
PO Box 1980, Hobbs, NM 88240-1980  
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-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Indian Basin Upper Penn Assoc Pool	
<sup>4</sup> Property Code		<sup>5</sup> Property Name HICKORY ALV FEDERAL			<sup>6</sup> Well Number 6
<sup>7</sup> OGRID No. 025575		<sup>8</sup> Operator Name YATES PETROLEUM CORPORATION			<sup>9</sup> Elevation 4409

<sup>10</sup> Surface Location

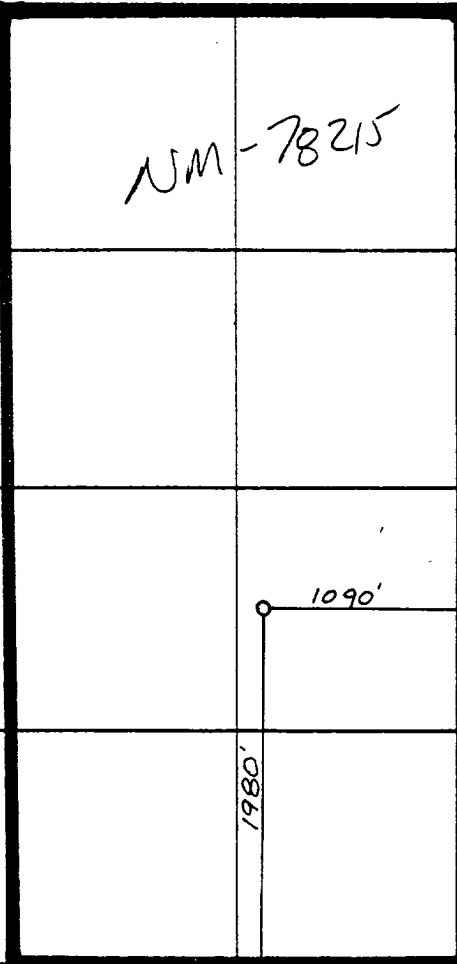
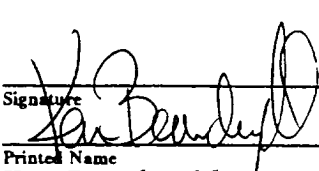
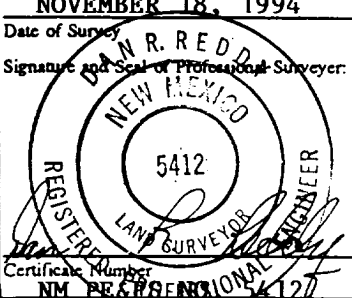
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	18	22S	24E		1980	SOUTH	1090	EAST	EDDY

<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 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

<sup>16</sup>			<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature:  Printed Name: Ken Beardemphl Title: Landman Date: 11/22/94
			<sup>18</sup> 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 belief.  NOVEMBER 18, 1994 Date of Survey Signature and Seal of Professional Surveyor: 

# YATES PETROLEUM CORPORATION

**Yates Petroleum Corporation**

105 SOUTH 4th STREET  
ARTESIA, NEW MEXICO 88210

HICKORY ALV FEDERAL #6  
1980' FSL and 1090' FEL  
Sec. 18-T22S-R24E  
Eddy County, New Mexico

Exhibit B

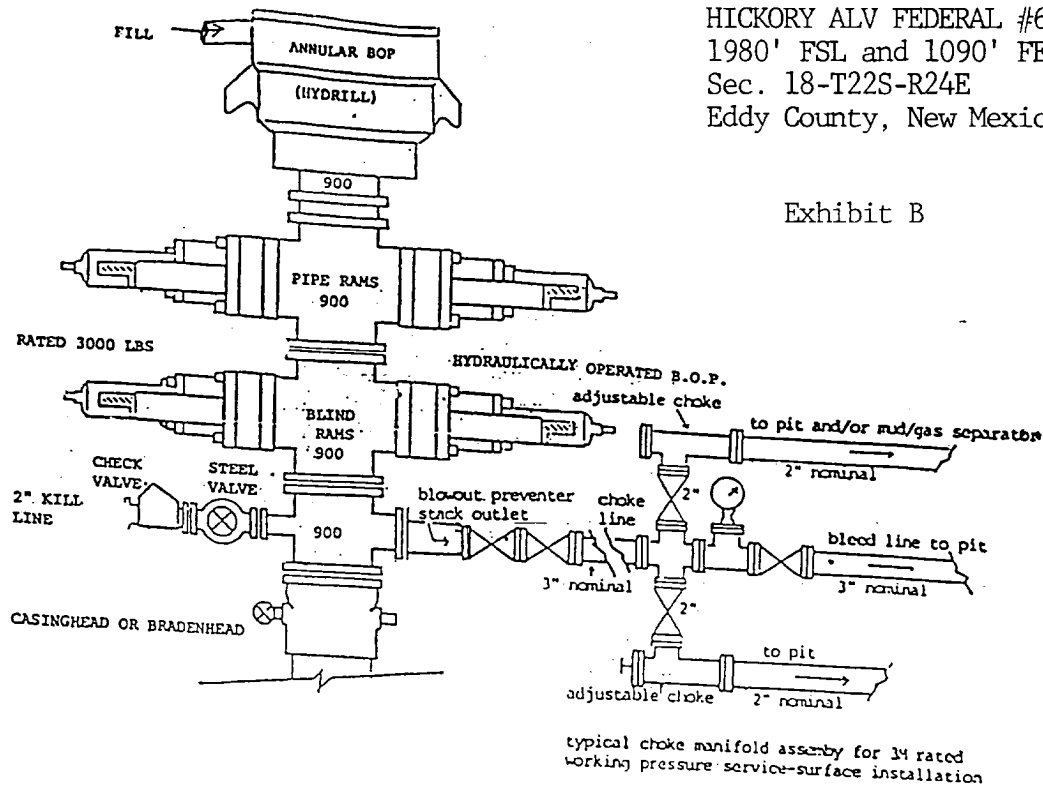


EXHIBIT B

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.