

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRI. DATE\*  
(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 RE-ENTRY ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION 25575

3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1980' FNL and 1980' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approximately 32 miles west of Carlsbad, New Mexico

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'

16. NO. OF ACRES IN LEASE

640

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.

19. PROPOSED DEPTH

10,110'

20. ROTARY OR CABLE TOOLS

Rotary

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

4517' GR

22. APPROX. DATE WORK WILL START\*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
13 3/4"	10 3/4"	40.5#	954' In Place	700 sx Circulate
Existing	4 1/2"	9.5# & 11.6#	5692'-10150'	700 sx
Existing	4 1/2"	9.5#	In Place 0-5692'	As Warranted

Yates Petroleum Corporation proposes to re-enter this well which was drilled by Humble Oil and Refining Company on January 27, 1963 as the Haupache Oil Unit #10. This well was plugged and abandoned on December 31, 1968. Yates Petroleum Corporation will drill out all plugs, run 4 1/2" casing to 5692' splice on to existing 4 1/2" casing and clean out hole to TD, and test the Morrow and intermediate formations.

MUD PROGRAM: 2% KCL program with water loss additives and Gel for viscosity.

BOPE PROGRAM: BOPE will be installed on the 10 3/4" casing and tested daily for operational.

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS AND  
SPECIAL STIPULATIONS

Post ID-2  
5-22-98  
Re-entry

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.

SIGNED

Clifton R. May

TITLE

Regulatory Agent

DATE

April 23, 1998

(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:

(ORIG. SGD.) ARMANDO A. LOPEZ

APPROVED BY

TITLE

Regulatory Agent

DATE

5-13-98

\*See Instructions On Reverse Side

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-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 Morrow	
<sup>4</sup> Property Code		<sup>5</sup> Property Name Big Freddy Unit			<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 025575		<sup>8</sup> Operator Name YATES PETROLEUMCORPORTATION			<sup>9</sup> Elevation 4517' GR

<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
F	10	23S	22E		1980'	North	1980'	West	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.

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

<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 Clifton R. May Printed Name Regulatory Agent Title April 23, 1998 Date	
	<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. REFER TO ORIGINAL PLAT Date of Survey Signature and Seal of Professional Surveyor:	
	Certificate Number	

HUMBLE LEASE NO. 205649 NEW MEXICO OIL CONSERVATION COMMISSION

Form C-128

STATE LEASE NO.

Revised 5/1/57

FEDERAL LEASE NO. 066097

Well Location and Acreage Dedication Plat

Section A.

Date January 17, 1963

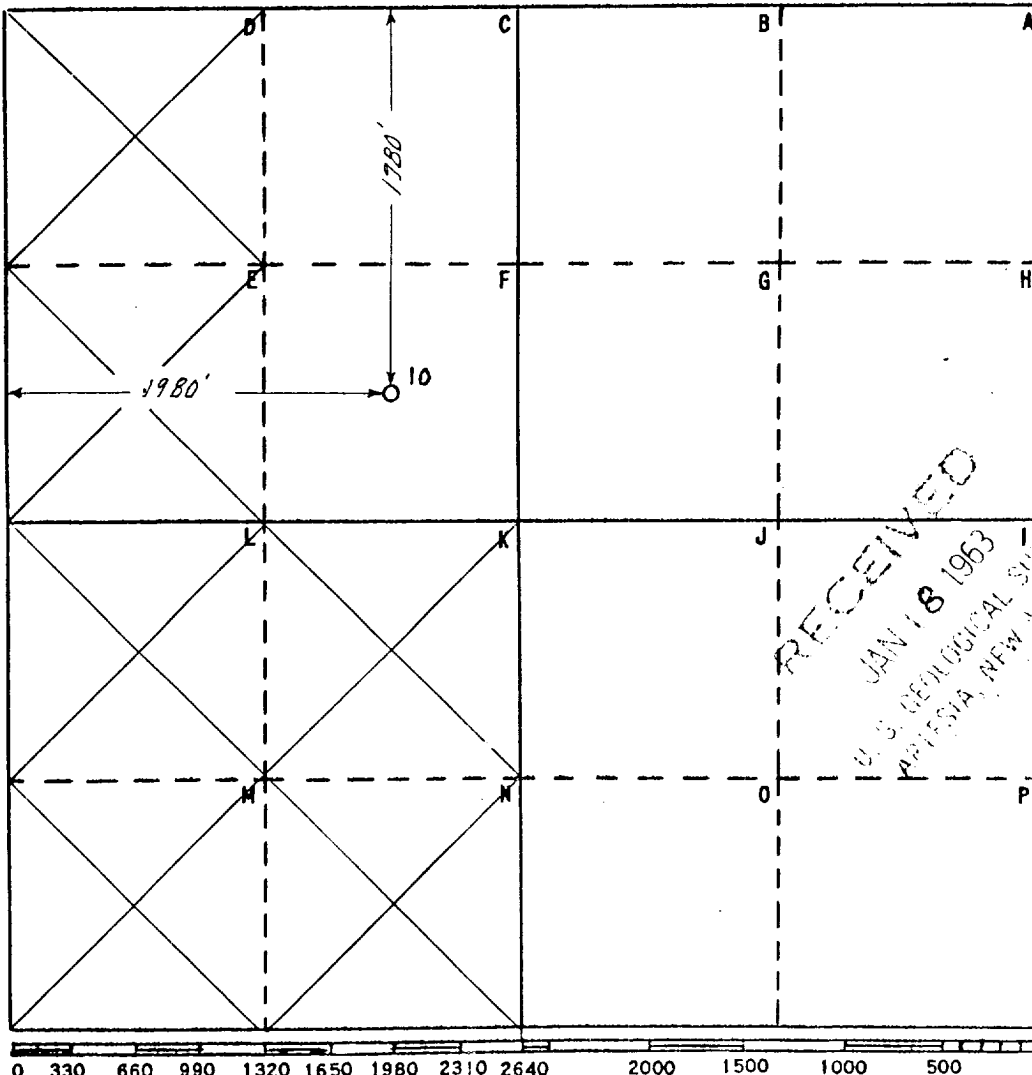
Operator Humble Oil & Refining Co. Lease Huapache Oil Unit  
 Well No. 10 Unit Letter "F" Section 10 Township 23 South Range 22 East NMPM  
 Located 1980 Feet From North Line, 1980 Feet From West Line  
 County Eddy G. L. Elevation Later Dedicated Acreage 40 Acres  
 Name of Producing Formation Mississippian Pool Huapache Area Wildcat

1. Is the Operator the only owner\* in the dedicated acreage outlined on the plat below?  
 Yes ☒ No ☐
2. If the answer to question one is "no", have the interests of all the owners been consolidated by communitization agreement or otherwise? Yes ☐ No ☐ If answer is "yes," Type of Consolidation \_\_\_\_\_
3. If the answer to question two is "no," list all the owners and thier respective interests below:

Owner

Land Description

Section B



This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief

HUMBLE OIL & REFG. CO.

(Operator)

J. R. Hensley  
(Representative)

Box 1600 Midland, Texas  
Address

This is to certify that the well location shown on the plat in Section B 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 Jan. 14, 1963

W. S. Chesterfield  
Registered Professional  
Engineer and/or Land Surveyor

Certificate No. 1382

FILE NO. W-A-3434

# YATES PETROLEUM CORPORATION

Big Freddy Unit #2 (Re-entry)

1980' FNL and 1980' FWL

Sec. 10-T23S-R22E

Eddy County, New Mexico

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

Cherry Canyon	550'
Bone Spring	1170'
Wolfcamp	5670'
Cisco	7150'
Canyon	7410'
Strawn	8180'
Morrow	9570'
TD	10,110'

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

Water:	100'-300'
Oil or Gas:	9570'

3. Pressure Control Equipment: BOPE will be installed on the 10 3/4" casing and rated for 3000 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:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Interval</u>	<u>Length</u>
13 3/4"	10 3/4"	48#	J-55	In Place	954'
Not Known	4 1/2"	9.5# & 11.6#	Not Known	In Place	11150'
Not Known	4 1/2"	9.5#	J-55	0-5692'	5692'

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

- B. CEMENTING PROGRAM:

Surface casing: In Place.

Production Casing: In Place

5. MUD PROGRAM AND AUXILIARY EQUIPMENT:

2% KCL program with water loss additives and Gel for viscosity.

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: None anticipated.  
Logging: As warranted.  
Coring: None anticipated.  
DST's: As warranted.

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

Anticipated BHP: 4120 PSI.

No abnormal pressures or temperatures are anticipated.

Lost Circulation Zones Anticipated: None.

H2S Zones Anticipated: None anticipated.

Maximum Bottom Hole Temperature: 162 F

**8. ANTICIPATED STARTING DATE:**

Plans are to re-enter this well as soon as possible after receiving approval. It should take approximately 14 days to re-enter this well with completion taking another 8 days.

**MULTI-POINT SURFACE USE AND OPERATIONS PLAN**  
**Yates Petroleum Corporation**  
**Big Freddy Unit #2**  
**1980' FNL and 1980' FWL**  
**Sec. 10-T23S-R22E**  
**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 32 miles west of Carlsbad, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

**DIRECTIONS:**

Go northwest of Carlsbad, New Mexico on Highway 285 for approximately 8 miles to Highway 137. Turn west on Highway 137 and go approximately 16.6 miles, then go west on Eddy County Road #405 for 5.6 miles to the H Bar Y Ranch (mobile home). Go west past ranch house for approximately 800 feet and turn north passing through a gate #1 just east of cattle pens. Turn west for .01 of a mile to gate #2, then go southwest for .05 of a mile to gate #3, then go approximately 1.6 miles to the start of proposed new access road.

**2. PLANNED ACCESS ROAD:**

- A. The proposed upgraded access will be approximately 1000 feet in length from the point of origin to the southeast corner of the drilling pad. The road will lie in a(n) northeast to southwest direction.
- B. The new road will be 14 feet in width (driving surface) and will be adequately drained to control runoff and soil erosion.
- C. The new road will be bladed with drainage on one side. One traffic turnout may be built.
- D. The route of the road is visible.
- E. Existing roads will be maintained in the same or better condition.

**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 re-enter the proposed well with a salt brine system. The salt brine 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 obtain any permits for materials needed for the building of the well pad and road should they be needed.

**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:**

- 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:

Clifton R. May, Regulatory Agent  
Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210  
Phone (505) 748-1471


B. Through Drilling Operations,  
Completions and Production:

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

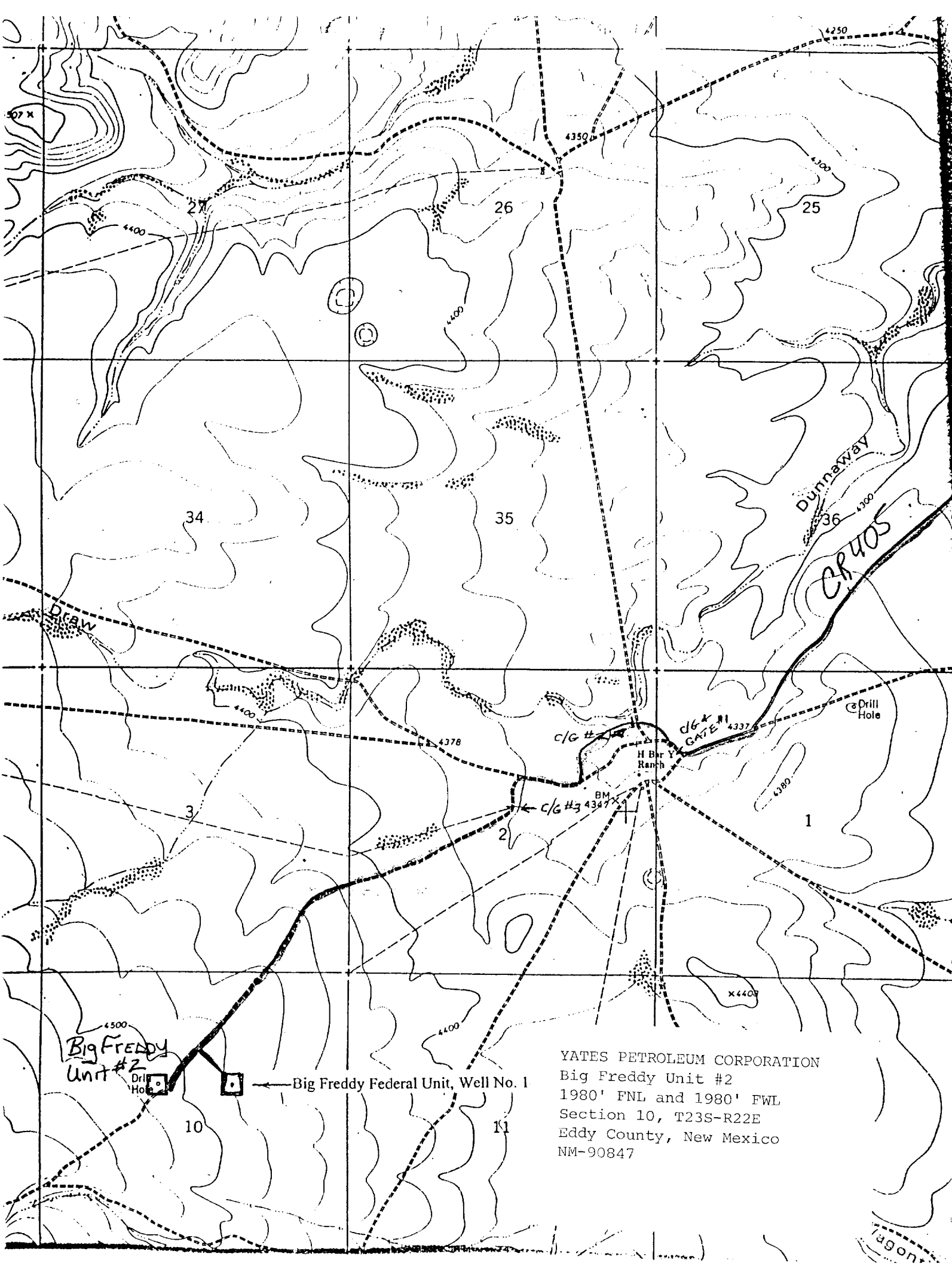
14. CERTIFICATION:

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.

4/23/98  
Date

  
Regulatory Agent

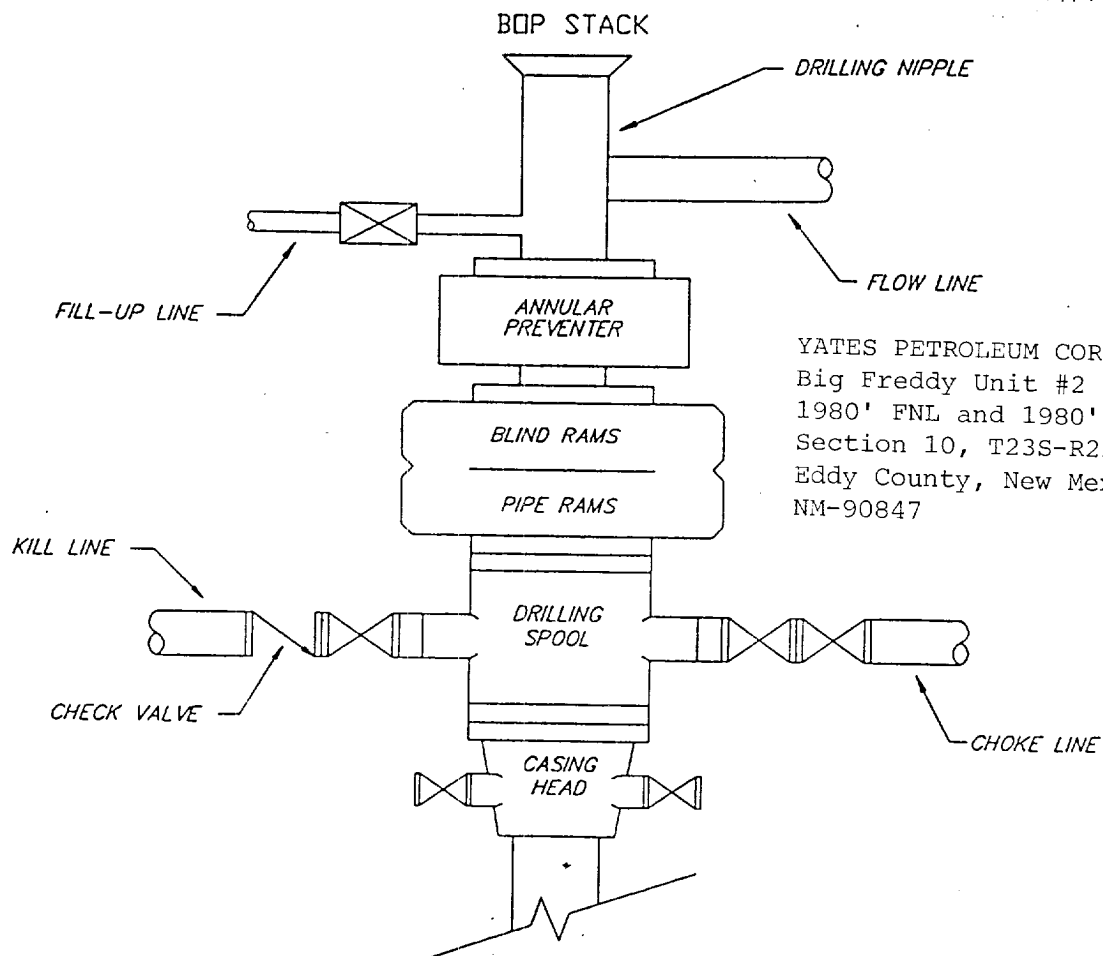




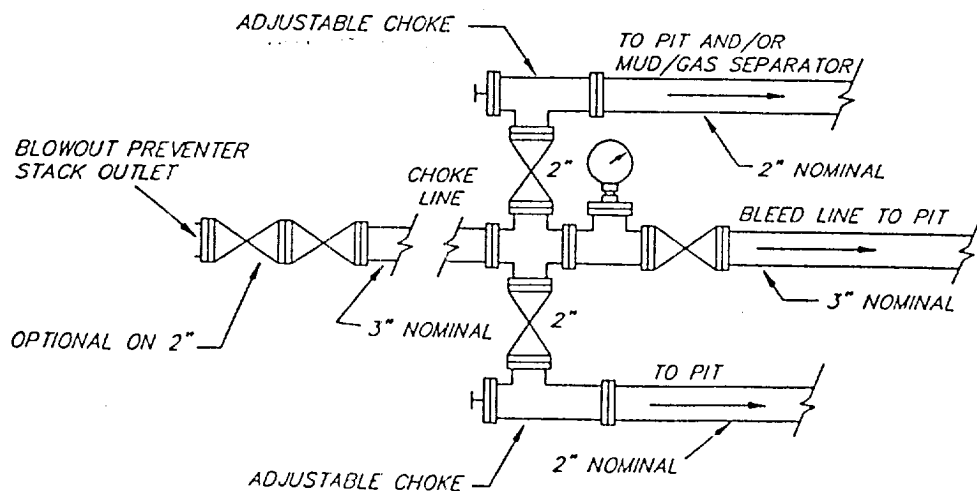
YATES PETROLEUM CORPORATION  
Big Freddy Unit #2  
1980' FNL and 1980' FWL  
Section 10, T23S-R22E  
Eddy County, New Mexico  
NM-90847

# YATES PETROLEUM CORPORATION

## TYPICAL 3,000 p.s.i. BLOWOUT PREVENTER SCHEMATIC

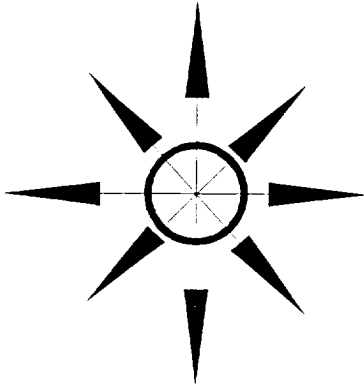


## TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC

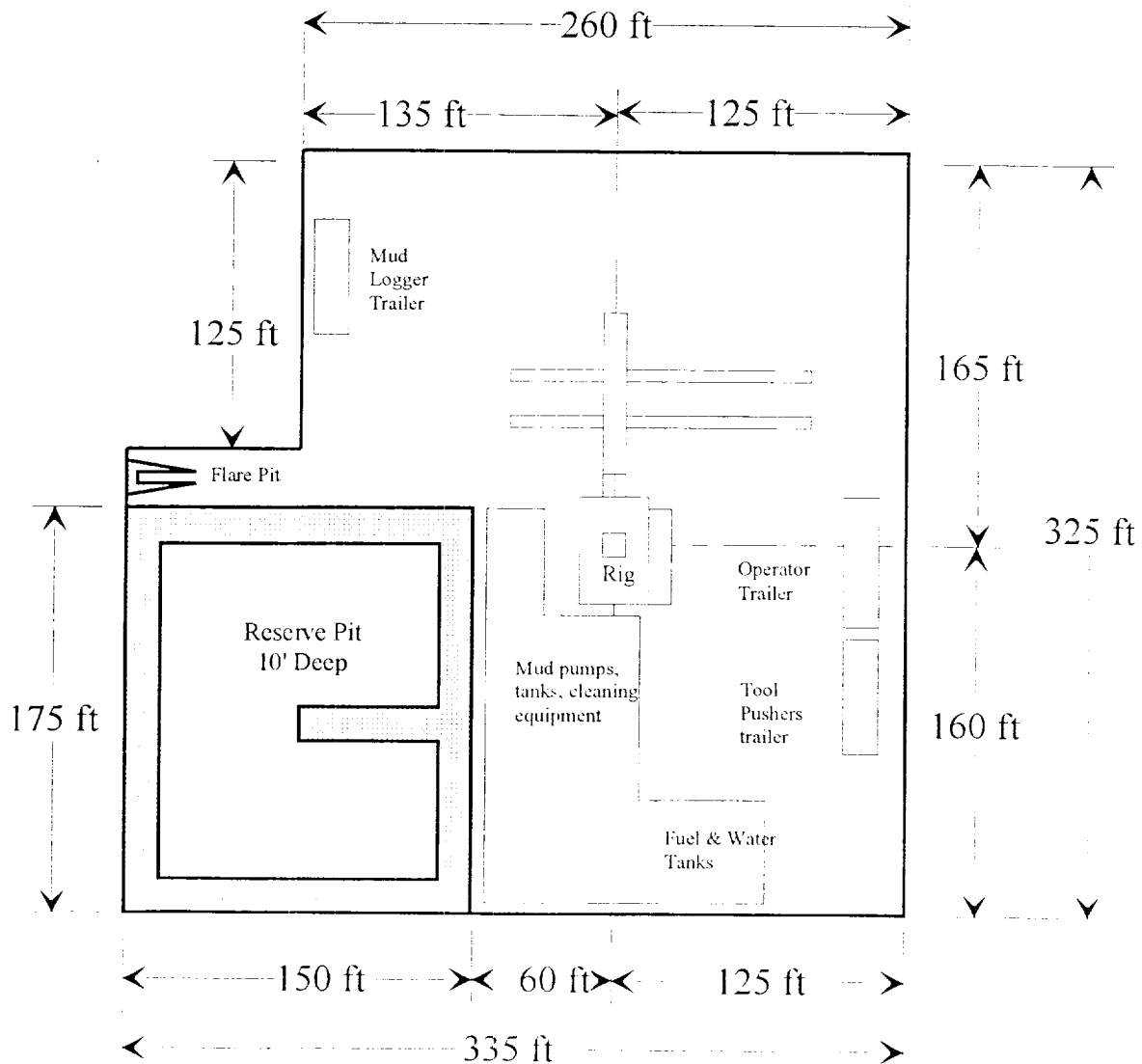


# Yates Petroleum Corporation

Location Layout for Permian Basin  
Up to 12,000'

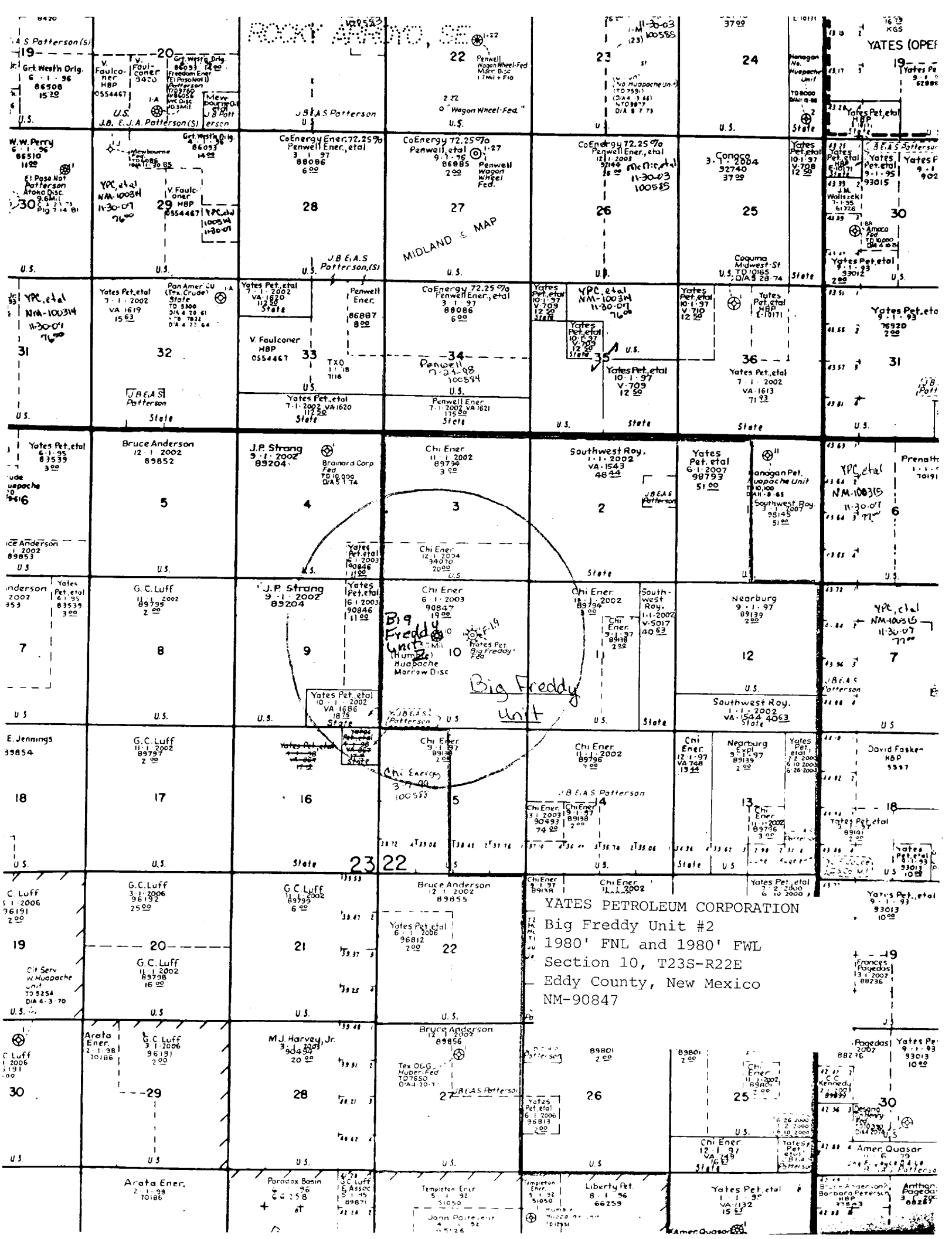


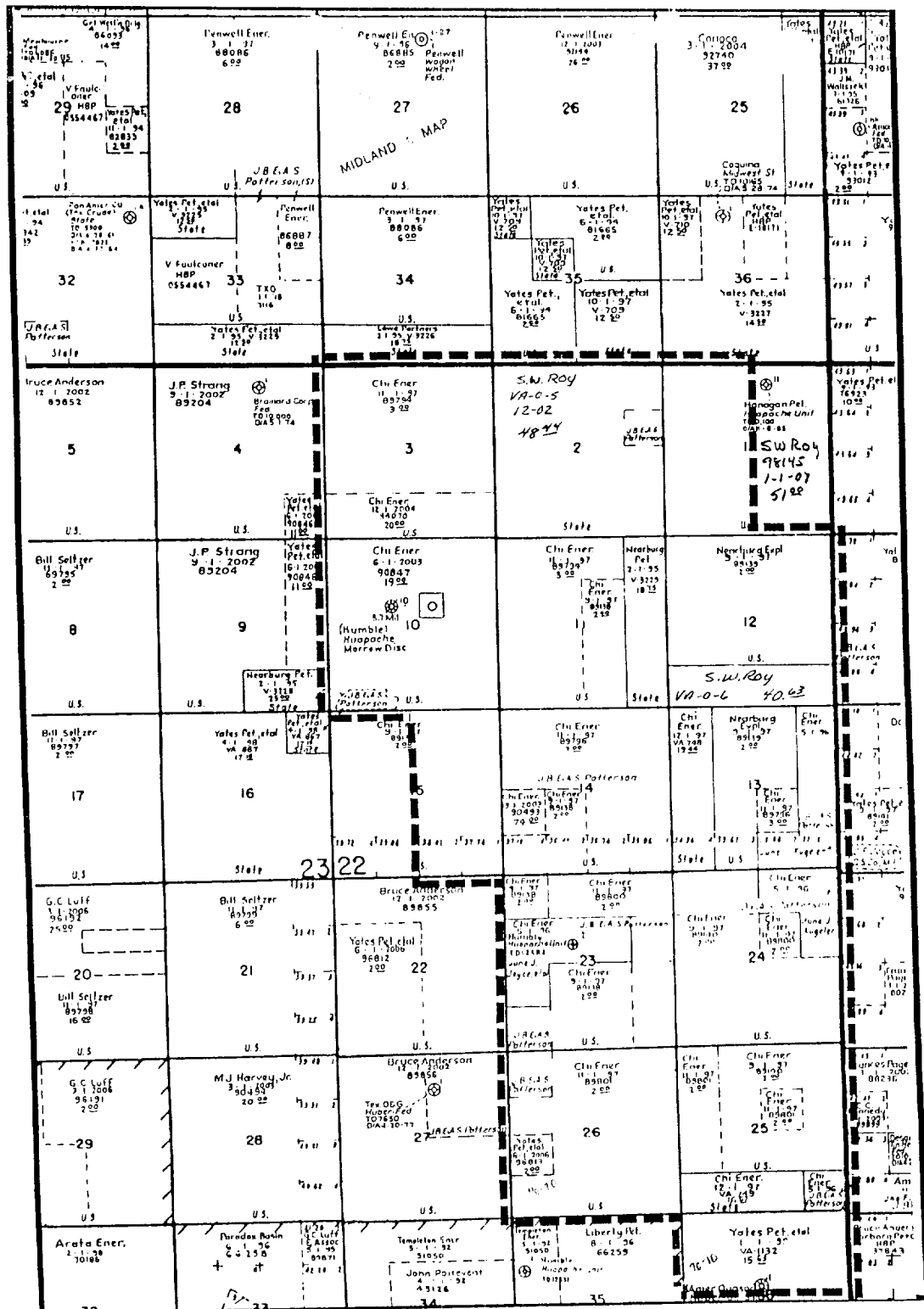
YATES PETROLEUM CORPORATION  
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NM-90847



Distance from Well  
Head to Reserve Pit  
will vary between rigs

The above dimension  
should be a maximum





## LEGEND

- ☐ Federal Parcel
- ☐ State Tract

Prospect Outline

- ☒ Proposed Location

- ☐ Industry Location

Production Cum. To

Gas (MMCFG)

Oil (MBO)

Water (MBW)

- ☐ Open Acreage

--- PROPOSED UNIT OUTLINE

## PRODUCERS

○ SA-Qn-Gbg

○ Delaware

○ Bone Spring

○ Wolfcamp

○ Cisco-Canyon

○ Strawn

○ Atoka

○ Morrow

○ Siluro/Devonian

YATES PETROLEUM CORPORATION

Big Freddy Unit #2

1980' FNL and 1980' FWL

Section 10, T23S-R22E

Eddy County, New Mexico

NM-90847

Updated:

**BIG FREDDY UNIT  
LAND PLAT**

Scale: 1:4000