

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

207 South Fourth Street, Artesia, NM 8810

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

At surface

660' FSL & 2310' FWL of Section 5-23S-23E

At proposed prod. zone

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

24 miles WSW of Carlsbad, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any.)

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

21. ELEVATIONS (Show whether DF, RT, or level)

4245' GR

23.

O. C. O.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13-3/8" New	48#	Approx. 440'	300 sacks - circulate
12 1/2"-11"	8-5/8" New	24#	Approx. 1200'	600 sacks - circulate
7-7/8"	5 1/2" New or 4 1/2" New	17#K-55&N-80 or 11.6# K-55&N-80	Approx. 10000'	250 sacks

Propose to drill and test the Morrow and intermediate formations. Approximately 440' of surface casing will be set to shut off gravel and caving, cement circulated for fresh water protection. Intermediate casing will be set approximately 100' below the Artesian Water Zone and cement circulated. If commercial pay is encountered, will run 5 1/2" or 4 1/2" casing, cement with 600' of cement cover, perforate and stimulate as needed for production.

MUD PROGRAM: F.W. Gel to 440', fresh water to 5000', KCL water to 8500' (add brine @ 7000'), Flosal-Drispak-KCL mud to TD; MW 9.2, Vis 36-39, WL 12-7.

BOP PROGRAM: BOP's & hydril on 8-5/8" casing & tested daily, yellow jacket prior to drilling the Wolfcamp. **GAS ACREAGE NOT DEDICATED.**

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. 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

Edith M. Haglund

TITLE

Engineer

DATE

3-2-77

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

DECLARED WATER BASIN

APPROVED
CONDITIONS OF APPROVAL, IF ANY:THIS APPROVAL IS REVOKED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES APRIL 4 1977DATE
CEMENT BEHIND THE
CASING MUST BE CIRCULATED

*See Instructions On Reverse Side

NOTIFY USGS IN SUFFICIENT TIME TO
WITNESS CEMENTING THE CASING.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-128
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator YATES PETROLEUM CORP.			Lease # Bary FEDERAL HP #1		Well No. 1
Unit Letter N	Section 5	Township 23 South	Range 23 East	County Eddy	
Actual Footage Location of Well:					
2310 feet from the West line and 660 feet from the South line					
Ground Level Elev. 4245	Producing Formation Morrow		Pool Undesignated	Dedicated Acreage: 3.20 Acres	

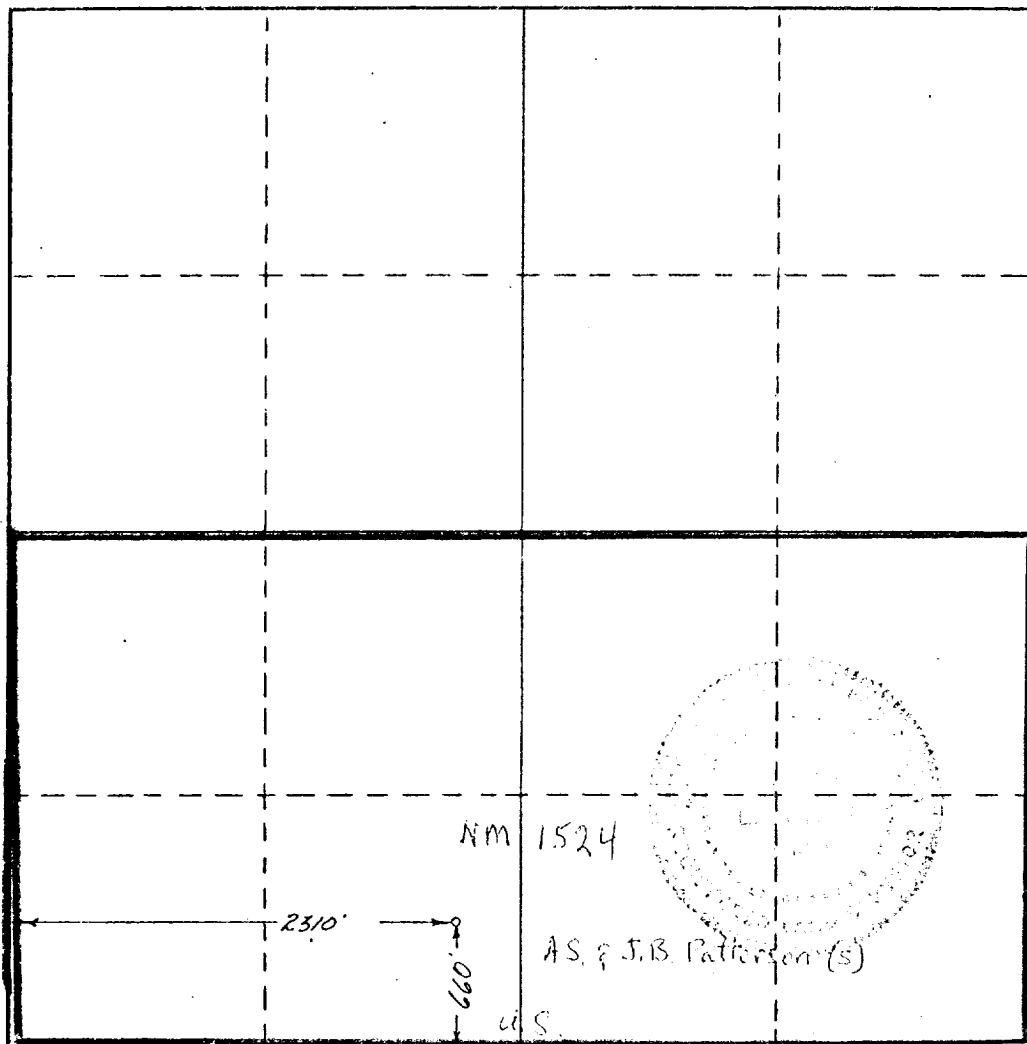
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.

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ARTESIA, NEW MEXICO



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Eddie L. Hargrave

Name

Position

Engineer

Company

Yates Petroleum Corp

Date

3-2-77

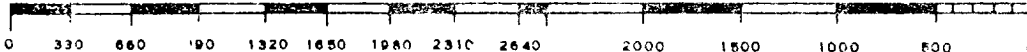
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

2/23/77

Registered Professional Engineer and/or Land Surveyor

Glenn H. Jones
 Certificate No. 3640



YPC- H Bar Y Federal HP #1, 660/S 2310/W Sec 5-23S-23E, Eddy Co.

Other information to accompany Form 9-331-C:

1. Surface Formation: Quaternary Alluvium (poss. Queen)
2. Geologic Markers anticipated:
 - San Andres @ 579
 - Glorieta @ 1936
 - Bone Springs ls @ 3724
 - Wolfcamp @ 6485
 - Cisco @ 7217
 - Lower Canyon @ 7734
 - Strawn @ 8079
 - Atoka @ 8762
 - Morrow Clastics @ 9484
3. Surface Water: approx 250-430 ft.
 - Oil & Gas Pays: Poss. Wolfcamp @ 7200-7250; BHP = 3200 psi
 - Poss. Cisco @ 7340-7460; BHP = 3150 psi
 - Poss. Morrow @ 9700-9950; BHP = 3550-3900 psi
4. Casing Program: See form 9-331-C.
5. Pressure Control: See form 9-331-C and Exhibit "D".
6. Mud Program: See form 9-331-C.
7. Auxiliary Equip: Kelly cock; Pit level indicators & flow sensors;
Sub with full-opening valve on the floor.
8. Drill stem tests as warranted; mud-logger on @ 7000'; no coring.
9. This is a development well (1 3/4 mile offset to a Morrow well).
Pressure & temperature data is from previous drilling experience. Hydrogen sulfide and other toxic gases are minimal or non-existent. Mud is checked hourly and inhibited for corrosion control.
10. Anticipated Starting Date: Lease expiring May 29, 1977;
will drill prior to expiration date.

Jm.
3-2-77

YATES PETROLEUM CORPORATION - H BAR Y FEDERAL "HP" NO. 1
660' FSL & 2310' FWL, Section 5-23S-23E, Eddy County, New Mexico

Surface Use Plan to Accompany "Applications to Drill, Federal Lease".

1. EXISTING ROADS: See Plat (Exhibits A & B) From Artesia, go 24 miles south on U. S. 285 to Sitting Bull Falls road, then about 20 miles southwest on State Hiway 137 to H Bar Y ranch access road (Kincaid ranch house on left), then west 4½ miles to cattleguard, then southwest approximately 1 mile to Tule well and 1½ miles to Cox well, then northeast for 0.4 mile to access road. The first 4½ miles in county maintained. The last 1½ miles will be improved with caliche in low spots. Approximatley 1 mile will require only blading and watering. There will be no culverts, no fence cuts, but occassional turnouts, one about every 0.3 mile.
2. PLANNED ACCESS ROADS: See Plat (Exhibits A & B) Location is approximately 600 feet east of existing road. Propose 12 foot width, bladed & caliched, no turnouts, no culverts, no fence cuts.
3. LOCATION OF EXISTING WELLS: See Plat (Exhibit B) Nearest gas well (shut-in) is located 1-3/4 miles southeast in Section 17. There are other gas wells about 5 miles to north and east and one drilling in Rocky Arroyo (8-9 miles NW). There are several dry holes in area, also water wells or windmills within a 2 mile radius of the location.
4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION, GATHERING AND SERVICE LINES: See Plat (Exhibit C) If a producer, the tank battery & production facilities will be on the east side of the pad. Flowlines will be steel and on the surface.
5. LOCATION AND TYPE OF WATER SUPPLY: See Plat (Exhibit B) Possible water is located 3 miles east of location, but probably truck water from any available commercial water supply.
6. SOURCE OF CONSTRUCTION MATERIAL: See Plat (Exhibit B) There is a caliche pit in SE/4 of SW/4 Section 28, T22S, R23E, approximately 4½ miles from the location. There is another pit in NE corner of Section 16, T23S, R23E.
7. METHODS FOR HANDLING WASTE DISPOSAL: See Plat (Exhibit C) Well cuttings will be disposed of in the reserve pits; mud sacks, paper & garbage will be burned; garbage will be accumulated in trash barrels and disposed of by burning or buried three feet in the burn pit. If productive, produced water will be collected in a tank and hauled away.
8. ANCILLARY FAICILITIES: None.
9. WELL SITE LAYOUT: (rig, tanks, pits, racks, etc.) See Sketch (Exhibit C) Exhibit C shows position of drill pad, rig, reserve pits, burn pit, mud pits, jet sump, pipe racks, pumps, water tanks. Pad size - 220' X 270', cut and fill - approximately 2' of cut from east side, 7' fill on NW corner. Surface - to be bladed and caliched. Reserve Pit - 90' X 120', plastic-lined. Pad is flagged with red tape; Pit area is flagged with blue tape.
10. PLANS FOR RESTORATION OF SURFACE: If well is productive, pits will be fenced until dry, then backfilled and levelled as soon as practical. Location will be cleaned, all excess material removed from location. Upon abandonment, location will be cleaned and levelled or restored in compliance with BLM stipulations and to the satisfaction of the surface owners.
11. OTHER INFORMATION: (a) Terrain is gently rolling with occasional gravel outcrop.
(b) Soil is red sand & alluvium.
(c) Vegetation consists of prairie grass, yucca, greasewood, thistle, cactus, and cholla.
(d) There are no ponds or streams within 1½ miles of location. The nearest windmills or water wells are located ¼ mile SW of location and 1 mile NW.
(e) The nearest residences or buildings are located 3-5 miles from the location.
(f) Surface use is grazing.
(g) The effect on the environment will be minimal; drillsite is in semi-arid desert country, wind-blown and natural re-seeding.
(h) Surface ownership is to A. S. and Jack Patterson of Roswell, & we have made contact with Mr. Jack Patterson.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVES: Eddie Mahfood, Leon Bergstrom, or James Jonas, 207 South Fourth Street, Artesia, NM, 746-3558.
13. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite 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.

Date

3-2-77

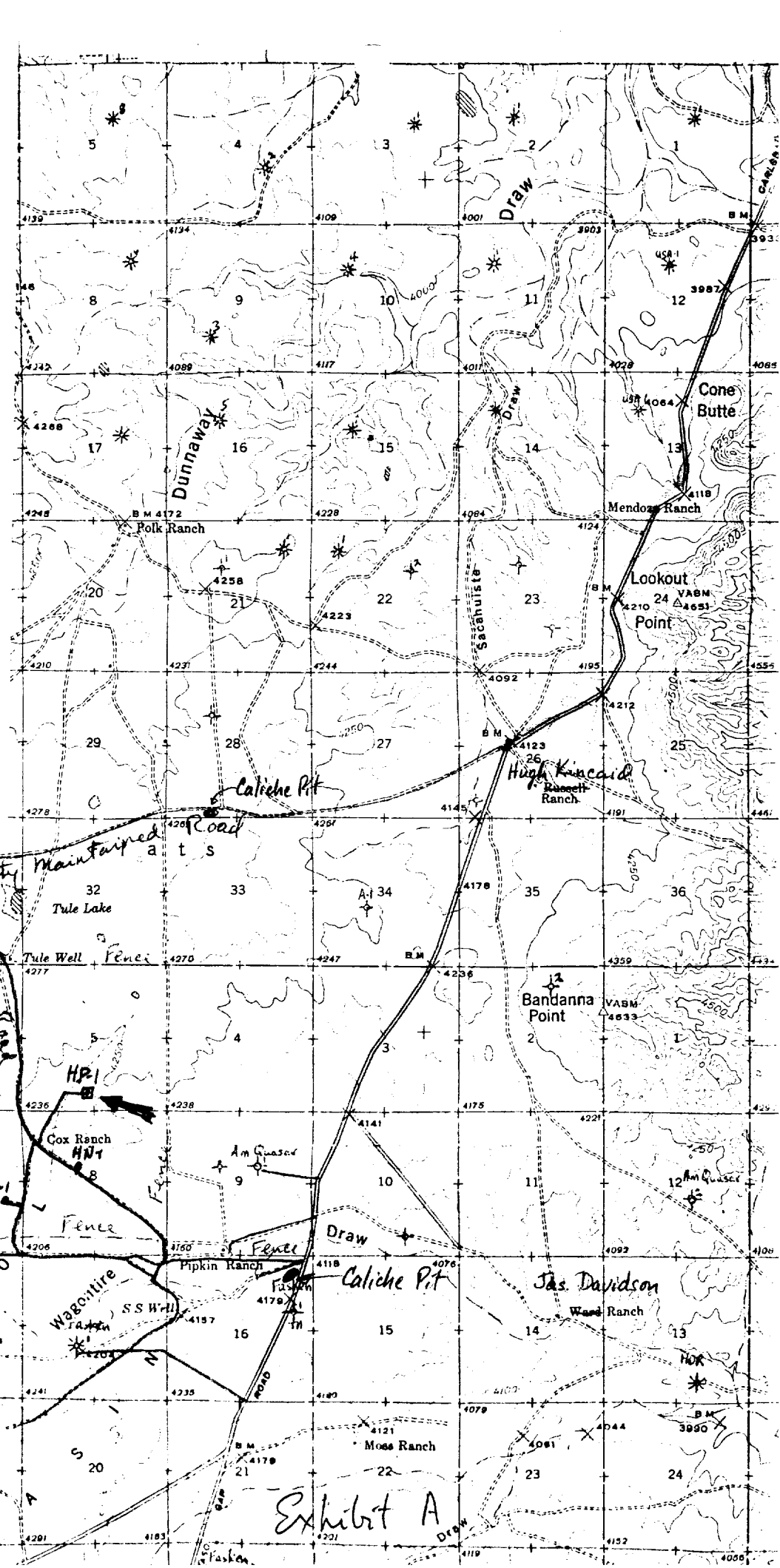
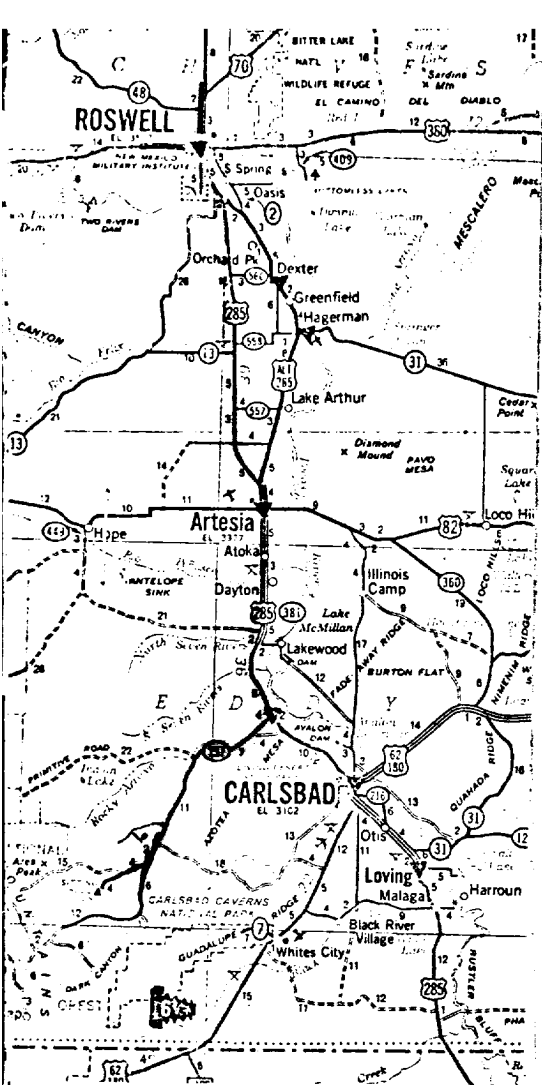
Name and Title

Eddie Mahfood
Eddie Mahfood, Engineer

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ARTESIA, NEW MEXICO



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Existing Road
Cattle Guard

SINGLE PHASE 200V
1" PVC WATER LINE TO KITCHEN

Tjio Wei

FOUO

Tule Lake

War Y Ranch

Abstract

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~~Patience
Zachary~~

Force

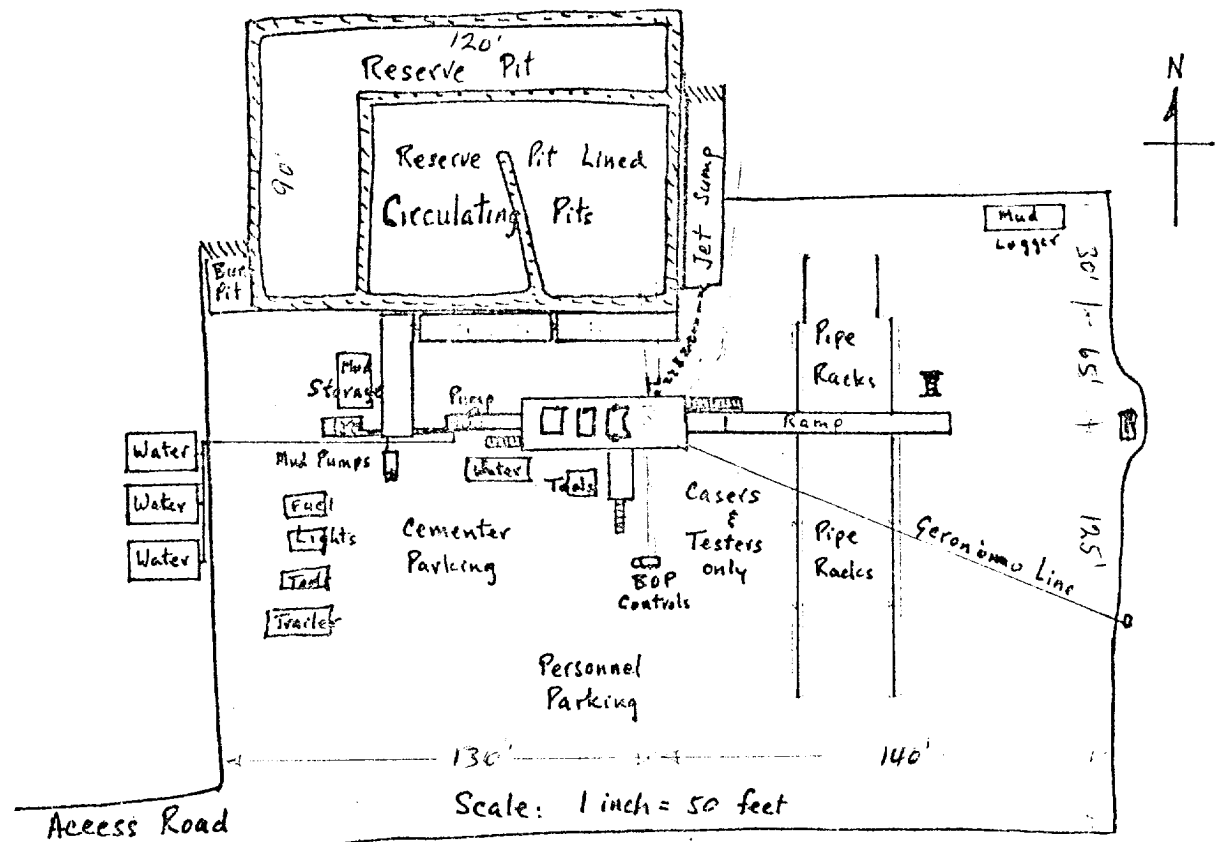
U.S. SMELTING AND QUASAR
J. M. Kelly Fed. Tiffin Ranch Unit
Mr. Wolf 9-1

Exhibit B

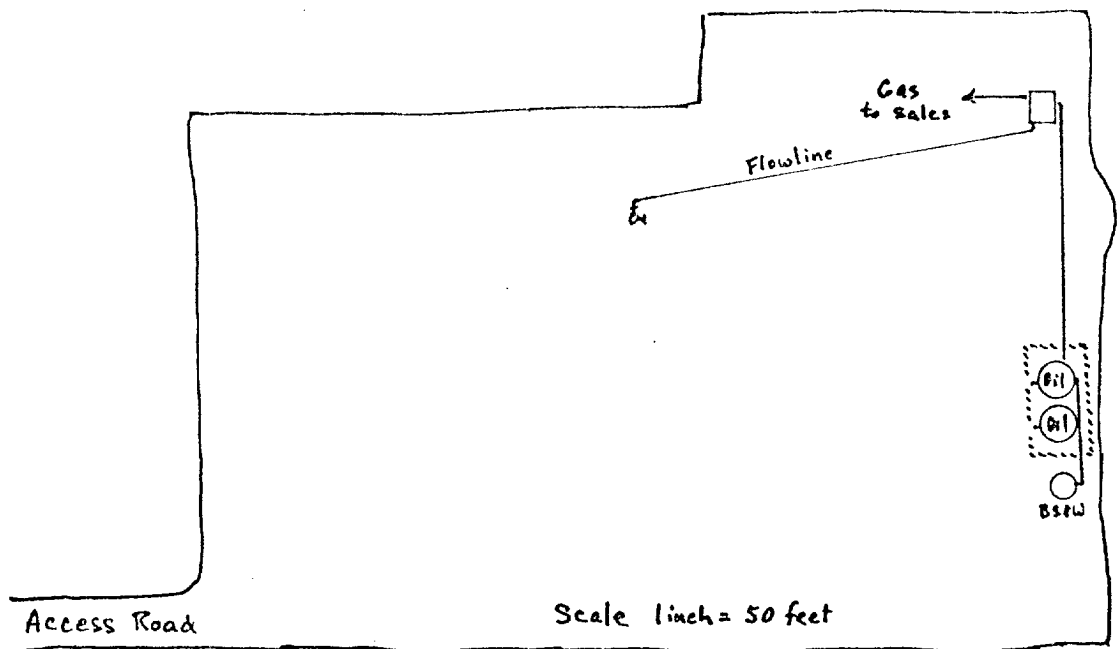
Hwy 132
✱ ✱ ✱

FASKEH
Well Drd


YPC - H Bur Y Federal HP No. 1, 660/s 231v/W of Sec. 5-23s-23E, Eddy Co.

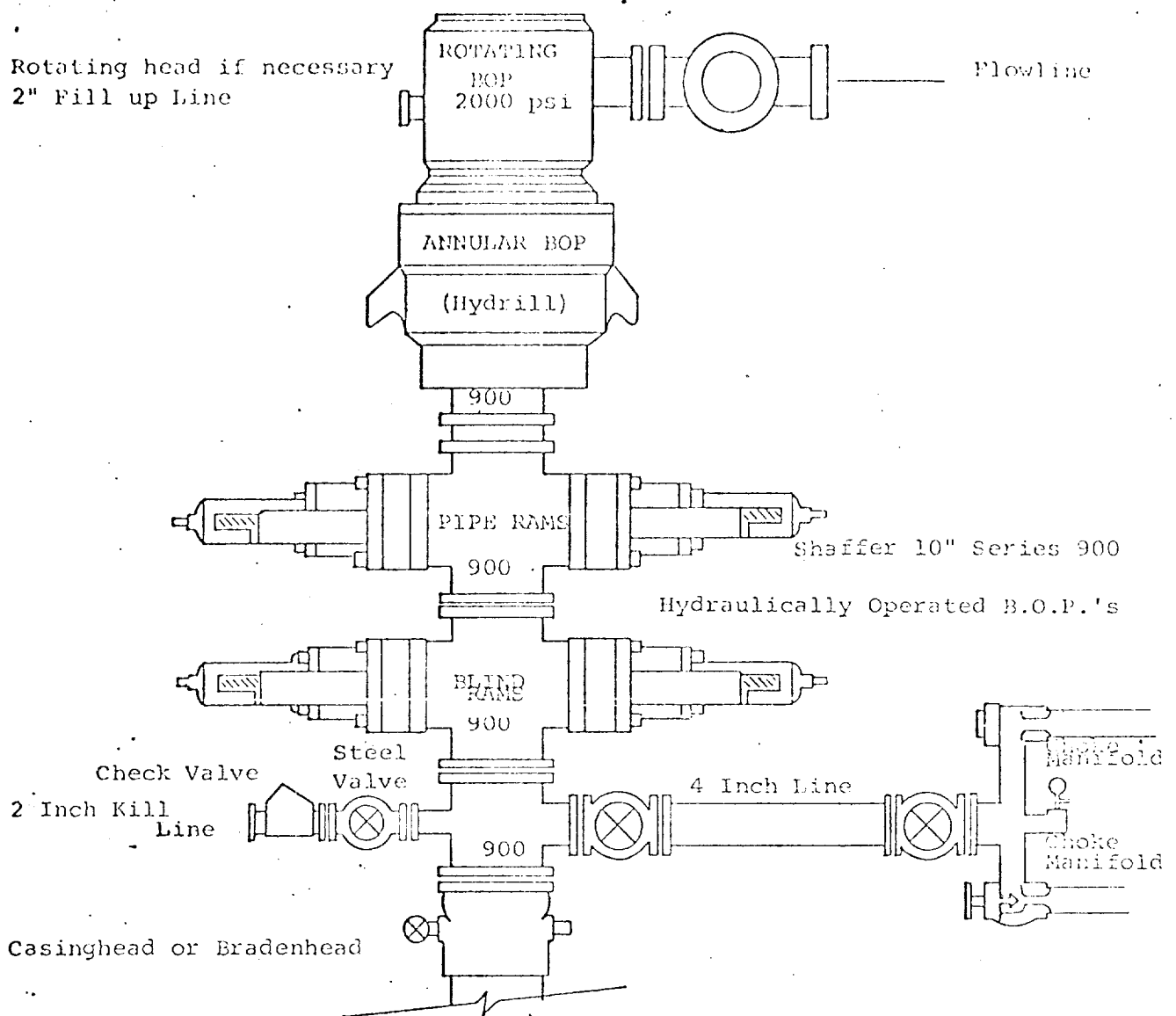


Drilling Rig Layout



Tank Battery Layout

Exhibit "C"



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

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 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel hole or tube 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 located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

Exhibit "D"