

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NM-89058		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
2. NAME OF OPERATOR YATES PETROLEUM CORPORATION 25525			7. UNIT AGREEMENT NAME 20574		
3. ADDRESS AND TELEPHONE NO. 105 South Fourth Street, Artesia, New Mexico 88210 (505) 748-1471			8. FARM OR LEASE NAME, WELL NO. Opera AQG Federal #1		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL and 1980' FEL At proposed prod. zone Same Unit G			9. API WELL NO. 30-015-29435		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 50 miles Southeast of Carlsbad, New Mexico			10. FIELD AND POOL, OR WILDCAT WILDCAT Bone Spring 96687		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 15, T26S-R31E		
16. NO. OF ACRES IN LEASE 1840			12. COUNTY OR PARISH 13. STATE Eddy NM		
17. NO. OF ACRES ASSIGNED TO THIS WELL 40			18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		
19. PROPOSED DEPTH 10,500			20. ROTARY OR CABLE TOOLS Rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3205' GR			22. APPROX. DATE WORK WILL START* ASAP		

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14.750"	11.875"	42.0#	900'	850 sx circulate to surface
11.000"	8.625"	32.0#	4000'	1750 sx circulated
7.875"	5.500"	17.0#	TD	1050 sx

Yates Petroleum Corporation proposes to drill and test the Bone Spring and intermediate formations. Approximately 900' of surface casing will be set and cement circulated to shut off gravel and caving. 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: 0-900' FW Gel, Paper, LCM; 900'-4000' Brine; 4000'-10,500' Cut Brine.

BOPE PROGRAM: BOP's will be installed on the 8.625" casing and tested daily for operational.

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 Don Beard TITLE Landman DATE December 2, 1996
(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:

APPROVED BY _____ TITLE ADM, MINERALS DATE 12-14-97

*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

API Number 30-015-29435		Pool Code 96687		Pool Name WILDCAT ROSS RANCH Bone Spring	
Property Code OPERA "AQG" FEDERAL		Property Name		Well Number 1	
GRID No. 025575		Operator Name YATES PETROLEUM CORPORATION		Elevation 3205.	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	15	26-S	31-E		1980	NORTH	1980	EAST	EDDY

¹¹ 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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
40			

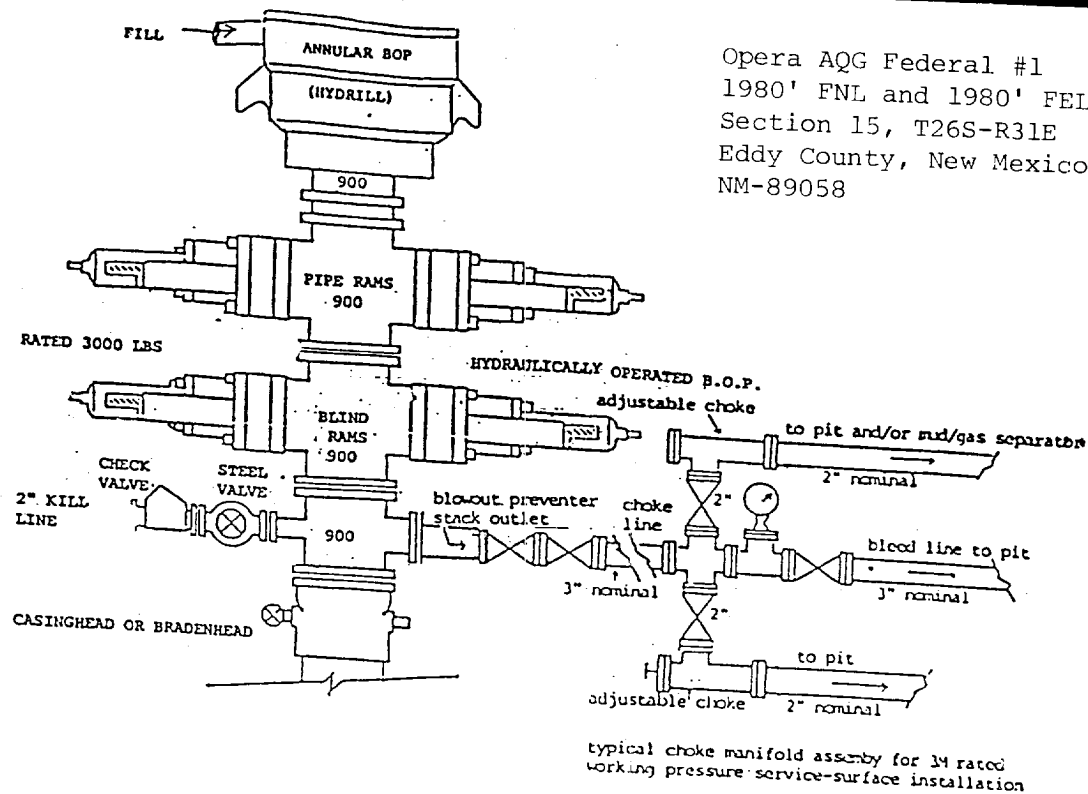
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p>	<p>¹⁷ 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>Signature: <i>Ken Beardemphl</i></p> <p>Printed Name: Ken Beardemphl</p> <p>Title: Landman</p> <p>Date: December 2, 1996</p>
	<p>¹⁸ 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>NOVEMBER 19, 1996</p> <p>Date of Survey: NOV 19 1996</p> <p>Signature and Seal of Professional Surveyor: <i>Ken B. Reddy</i></p> <p>REGISTERED LAND SURVEYOR ENGINEER 5412 NM PREPS. NO. 5412</p>

YATES PETROLEUM CORPORATION

YATES PETROLEUM CORPORATION

105 South 4th Street
ARTESIA, NEW MEXICO 88210



typical choke manifold assembly for 34 rated
working pressure service-surface installation

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.