

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

30-005-60617

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

NOV 16 1979

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

ARTESIA, OFFICE

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, New Mexico 88210

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

At surface

2310' FSL and FEL

At proposed prod. zone

Same

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

30 miles NNE of Roswell, New Mexico

15. DISTANCE FROM PROPOSED*

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

2310'

16. NO. OF ACRES IN LEASE

960

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.

1100'

19. PROPOSED DEPTH

1000'

20. ROTARY OR CABLE TOOLS

Small rotary

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

3793.1

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8"	20# X-42	300'	Circulate
7 7/8	5 1/2"	15.5# K-55	1000'	Circulate

Propose to drill and test the lower San Andres formation. Will set about 300' of surface casing. If commercial, will run 5 1/2" casing and circulate the cement. Will perforate and stimulate as needed for production.

MUD PROGRAM: Native or FW Gel if needed to clean hole.

BOP Program: Pipe rams will be set on 8 5/8" casing and tested.

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ARTESIA, NEW MEXICO

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

TITLE Geographer

DATE 10/29/79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

11-15-79

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

N MEXICO OIL CONSERVATION COMMISS
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 CORPORATION			Lease Teckla MD Fed.		Well No. 1
Unit Letter J	Section 12	Township 6 South	Range 25 East	County Chaves	
Actual Footage Location of Well: 2310 feet from the South line and 2310 feet from the East line					
Ground Level Elev. 3793.1	Producing Formation SAN ANDRES		Pool Wildcat UNDES. S.A.	Dedicated Acreage: 40 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? .

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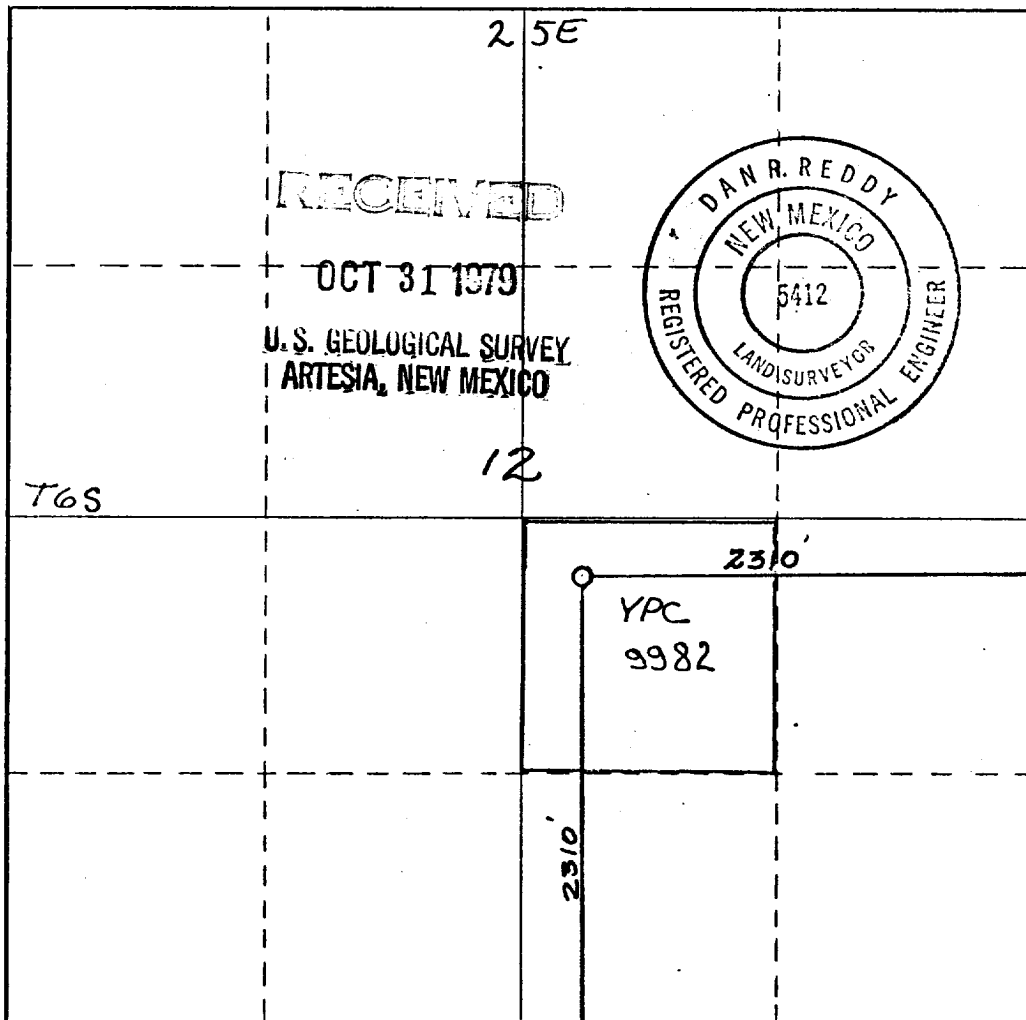
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D. C. C.
ARTESIA, OFFICE

☐ 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.



CERTIFICATION

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

Gliserio Rodriguez
Name
GLISERIO RODRIGUEZ
Position
GEOGRAPHER
Company
YATES PETROLEUM CORP.
Date
10-15-79

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
Oct. 11, 1979
Registered Professional Engineer and/or Land Surveyor

Dan R. Reddy
Certificate No.
NM PE&LS #5412



United States Department of the Interior

GEOLOGICAL SURVEY

P. O. Drawer U
Artesia, New Mexico 88210

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O. C. C.
ARTESIA, OFFICE

November 15, 1979

Yates Petroleum Corporation
207 South Fourth Street
Artesia, New Mexico 88210YATES PETROLEUM CORPORATION
Teckla "MD" Federal No. 1
2310 FSL 2310 FEL Sec. 12 T.6S R.15E
Chaves County Lease NM 9982

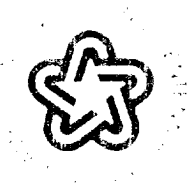
Gentlemen:

Above Data Required on Well Sign

Your APPLICATION FOR PERMIT TO DRILL the above-described well to a depth of 1,000 feet to test the San Andres formation is hereby approved subject to compliance with the OIL AND GAS OPERATING REGULATIONS (30 CFR 221) and the following conditions:

1. Drilling operations authorized are subject to compliance with the GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL LEASES, dated July 1, 1978.
2. Prior to commencing construction of road, pad, or other associated developments, operator will provide the dirt contractor with a copy of the SURFACE USE PLAN and this approval including the GENERAL REQUIREMENTS.
3. Submit a Daily Report of Operations from spud date until the Well Completion Report (form 9-330) is filed. The progress report should be not less than 8" x 5" in size and each page should identify the well.
4. All permanent above-ground structures and equipment shall be painted in accordance with the attached Painting Requirements. The color used should simulate Sandstone Brown (Federal Standard No. 595A, color 20318 or 30318).
5. Cement behind the 8-5/8" and 5-1/2" casing must be circulated.
6. Please have anyone contacting the Survey in regard to this well to identify the well with all of the information required above for the well sign.

Sincerely yours,

George H. Stewart
Acting District Engineer

Yates Petroleum Corporation
Teckla "MD" Federal #1
2310' FSL and 2310' FEL
Section 12 - T6S - R25E
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is sandy alluvium.
2. The estimate tops of geologic markers are as follows:

San Andres	616'
TD	1000'

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

Water:	Approximately 170'
Oil:	San Andres 950'

4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: As required.
8. Testing, Logging and Coring Program:

Samples: Surface casing to T.D.
DST's: None
Logging: GRN surface to T.D.
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as approved.

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ARTESIA, NEW MEXICO

Yates Petroleum Corporation
Teckla "MD" Federal #1
Section 12 - T6S - R25E
2310' FSL and 2310' FEL
(Developmental Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location, the construction activities and operations plan, 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 drilling of this well.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the roads in the vicinity of the proposed location. The proposed wellsite is located approximately 30 miles NNE of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed north from Roswell on Highway 285 for a distance of approximately 28 miles.
2. Turn east for approximately 14 miles and continue N for 3 3/4 miles. Then west for 3/4 of a mile to the South Alkali "LK" location. The new road will start at the west side of the pad going south.

2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 900' in length from point of origin to the southeast edge of the drilling pad. The road will lie in a east-to-west direction.
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be covered with the necessary depth of suitable material. The surface will be crowned, with drainage on one side. No turnouts will be built.
- D. The new road has been flagged and the route of the road is visible.

3. LOCATION OF EXISTING WELL.

- A. There is one well 1100' north and one 1400' northwest.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no 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 the ranches and will be trucked to the location.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. What ever material is used for construction of the drilling pad and the new access road will be obtained from the nearest existing pit which is on fee surface east of location.

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 to the USGS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained of prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.; is not included as it will be a rotary tool location 100'X 100'.
- B. The location surface is on a minor slope so cut and fill may be needed.
- C. The reserve pit needed will be very small.
- D. A 400' X 400' area and road has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- 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 pleasing a condition as possible.

- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and leveled.
- C. If the proposed well is non-productive, all rehabilitation requirements of the Operator-Landowner Agreement will be complied with and will be as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is fairly flat. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover consists of tobosa, terpine, pepper weed and mesquite. No wildlife was observed, but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. The Pecos River is approximately three and a half miles east.
- D. There are no inhabited dwellings or windmills within a mile of the vicinity of the proposed well.
- E. Surface Ownership: The wellsite is on fee surface with federal minerals. Surface owned by Corn Brothers, Inc.
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representative responsible for assuring compliance with the approved surface use plan is:

Gliserio "Rod" Rodriguez
Yates Petroleum Corporation
207 South 4th Street
Artesia, New Mexico 88210
(505) 746-3558

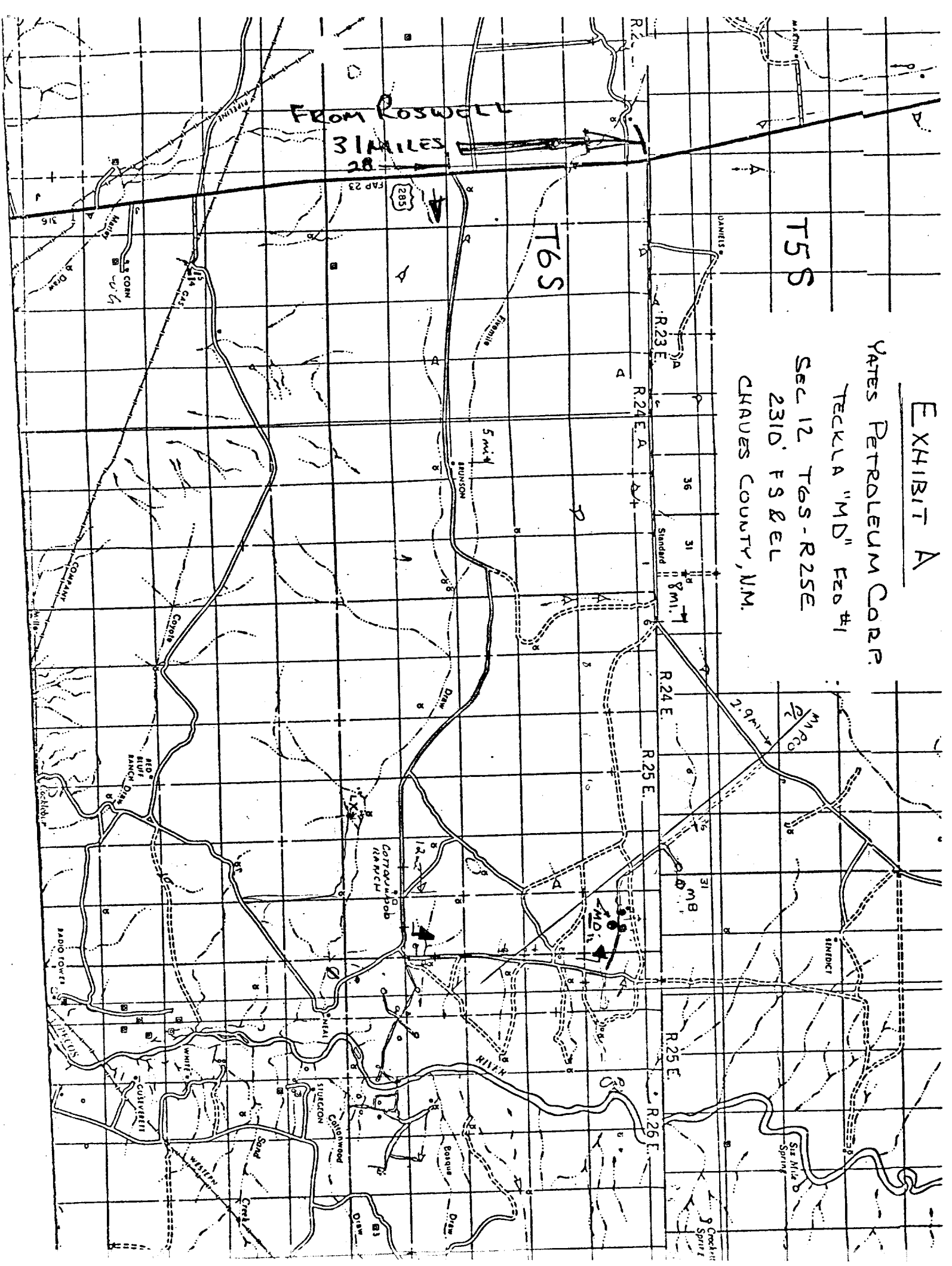
13. CERTIFICATION.

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 Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

10-29-79
Date

Gliserio Rodriguez
Gliserio Rodriguez, Geographer

CHAVES COUNTY, N.M.





207 SOUTH FOURTH STREET
ARTESIA, NEW MEXICO 88210

TELEPHONE (505) 746-3558

S. P. YATES
PRESIDENT
MARTIN YATES, III
VICE PRESIDENT
JOHN A. YATES
VICE PRESIDENT
B. W. HARPER
SEC. TREAS.

October 29, 1979

Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

Attention: Mr. Tom Hewitt

Gentlemen:

Re: Teckla "MD" Federal #1

Yates Petroleum Corporation is submitting an application to drill a well on surface patented to Corn Brothers, Inc. c/o Bronson Corn, Dunlap Star Route, Roswell, New Mexico 88201. This well will be located 2310' FSL and 2310' FEL of Section 12, T6S-R25E in Chaves County.

In an on-site meeting with Mr. Bronson Corn, it was agreed that we would compensate him monetarily for the surface damaged in drilling this well, and if it is a dry hole we would let it reseed naturally.

Sincerely,

YATES PETROLEUM CORPORATION

Rod Rodriguez
Geographer