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MAY 20 1982

O. C. D.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name
1b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		8. Form or Lease Name Pallock "UI"
2. Name of Operator Yates Petroleum Corporation		9. Well No. 1
3. Address of Operator 207 S. 4th, Artesia, New Mexico 88210		10. Field and Pool, or Wildcat Pecos Slope Abo
4. Location of Well UNIT LETTER G LOCATED 1980 FEET FROM THE North LINE AND 1980 FEET FROM THE East LINE OF SEC. 20 TWP. 6S RGE. 25E NMPM		17. County Chaves
19. Proposed Depth 4100'		19A. Formation Abo
21A. Kind & Status Plug. Bond Blanket		20. Rotary or C.T. Rotary
21. Elevations (show whether DF, RT, etc.) 3849.0' GL		22. Approx. Date Work will start ASAP

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4"	10 3/4"	40.5# J-55	975'	850 sx	circulated
7 7/8"	4 1/2"	9.5#	TD	350 sx	

We propose to drill and test the Abo and intermediate formations. Approximately 975' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) 8 5/8" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW gel and LCM to 975', Brine to 3200', Brine & KCL water to TD.

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

GAS NOT DEDICATED.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 11-25-82  
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Don Brader Title Regulatory Coordinator Date 5/17/82

(This space for State Use)

APPROVED BY W. H. Walker TITLE OIL AND GAS INSPECTOR DATE MAY 25 1982

CONDITIONS OF APPROVAL, IF ANY:

Partial  
NLB + ID I  
5-25-82

**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.

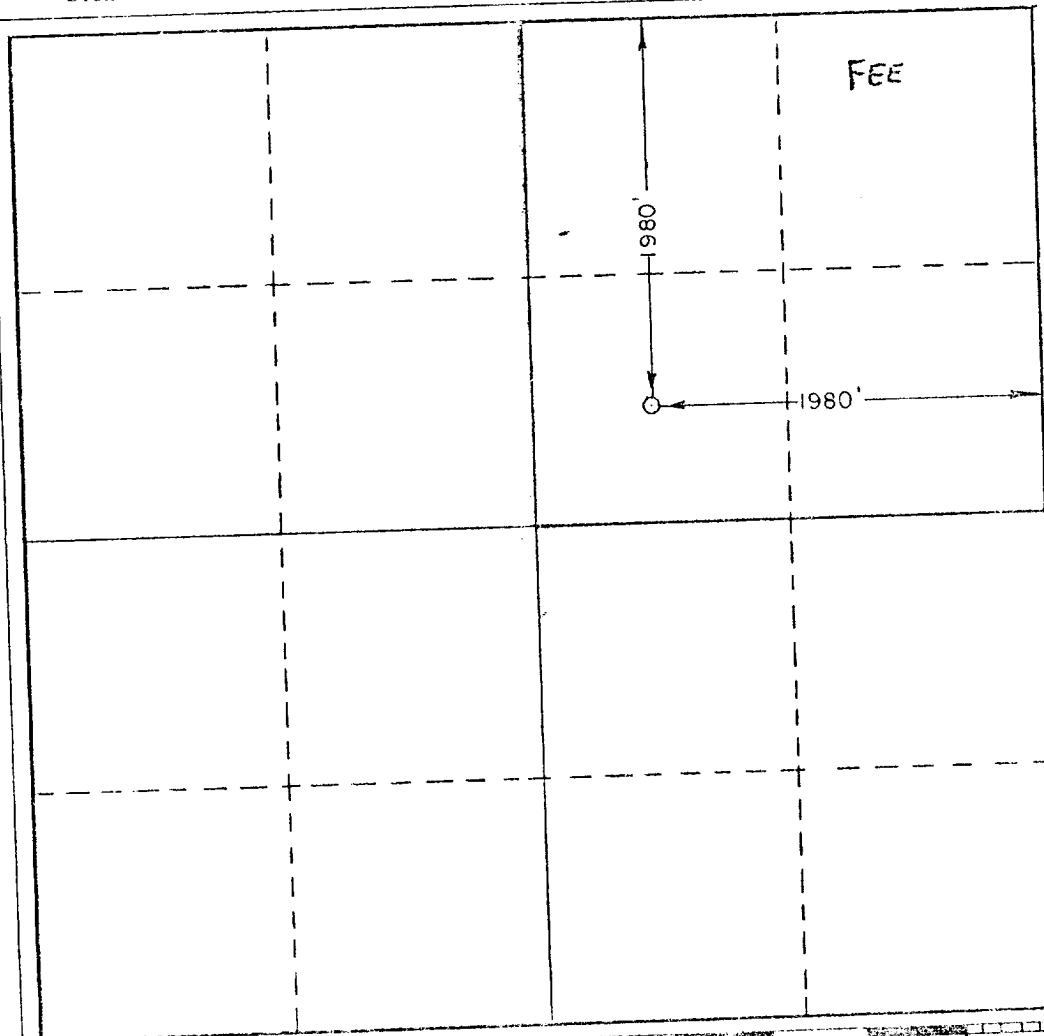
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Pallock "UI"</b>		Well No. <b>1</b>
Unit Letter <b>G</b>	Section <b>20</b>	Township <b>6 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well:					
<b>1280</b> feet from the <b>North</b> line and <b>1280</b> feet from the <b>East</b> line					
Ground Level Elev. <b>3842.0'</b>	Producing Formation <b>Abo</b>	Pool <b>Pecos Slope Abo</b>		Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.



**CERTIFICATION**

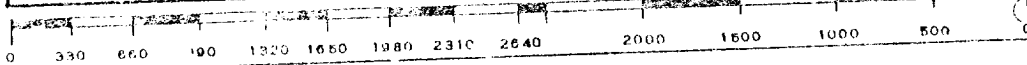
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Ken Beardemphl  
Name  
Ken Beardemphl  
Position  
Regulatory Coordinator  
Company  
Yates Petroleum Corp.  
Date  
5/17/82

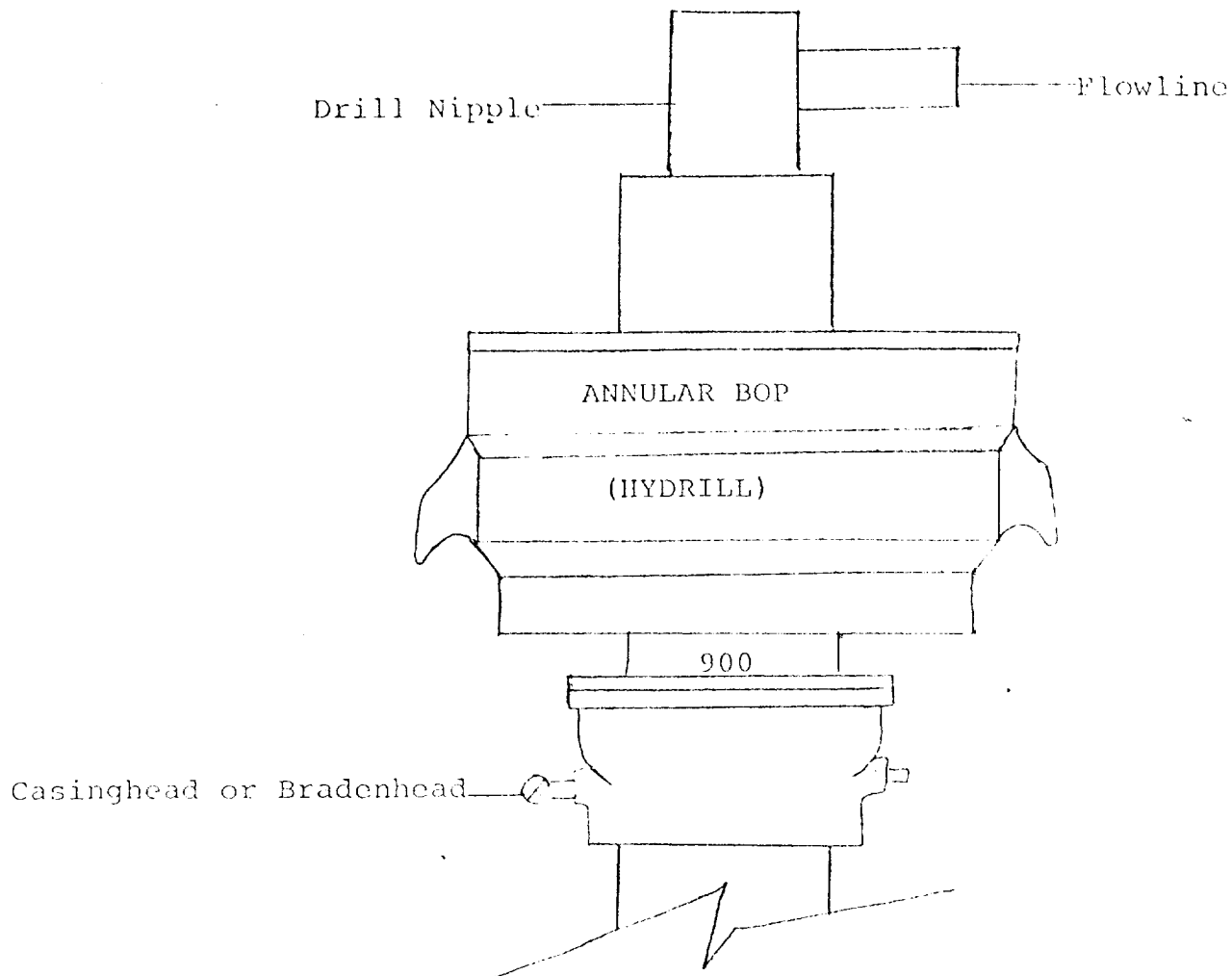
I hereby certify that the well location shown on this plat was plotted from field notes of prior surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
5/8/82  
Registered Professional Engineer and/or Land Surveyor

Dan A. [Signature]  
Certificate No. 7977



# Exhibit K



## 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. All connections from operating manifolds to preventers to be all steel. Hole or tube a minimum of one inch in diameter.
3. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the BOP's.
4. All connections to and from preventer to have a pressure rating equivalent to that of the BOP's.
5. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.