STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RECEIVED
FEB 28 '89
O. C. D.
ARTESIA, OFFICE

30-005-62675
Form C-101
Revised 10-1-78

5A. Indicate Type of Lease STATE [XX] FEE [ ]
5. State Oil & Gas Lease No. V-994

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
b. Type of Well
DRILL [X] DEEPEN [ ] PLUG BACK [ ]
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Unit Agreement Name
8. Farm or Lease Name: Hadley
9. Well No.: 1
10. Field and Pool, or Wildcat: WILDCAT San Andres

2. Name of Operator: Yates ~~Exploration~~ Petroleum Corporation
3. Address of Operator: ~~P. O. Box 1668, Albuquerque,~~ 105 South 4th St. Artesia New Mexico 87103
4. Location of Well: UNIT LETTER A LOCATED 330 FEET FROM THE North LINE AND 330 FEET FROM THE East LINE OF SEC. 36 TWP. 10S RGE. 27E NMPM

12. County: Chaves

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
2,350'	San Andres	C.T.

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
3713 Gr.	Blanket	Undersigned	ASAP

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	24 J-55	App. 600	300 Sacks	Circular
7 7/8	5 1/2	14 J-55	TD	300 Sacks	

We propose to drill and test the San Andres formation. Approximately 600' of surface casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforate and stimulate as needed for production.

MUD PROGRAM: That which is used in cable tool operation.

POST ID-1
NL & API
3-3-89

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 8/28/89
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 [signature] Title Agent LAND MAN Date February 27, 1989

(This space for State Use)

APPROVED BY Original Signed By Mike Williams TITLE _____ DATE FEB 2 8 1989

CONDITIONS OF APPROVAL, IF ANY:

Notify OCD if sufficient time is allowed cementing the 8 5/8 casing

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102
Revised 1-1-89

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
YATES ~~EXPLORATION~~ Pet. Corp.	Hadley	1

Unit Letter	Section	Township	Range	County
A	36	10 S	27 E NMPM	Chaves

Actual Footage Location of Well:
330 feet from the North line and 330 feet from the East line

Ground level Elev.	Producing Formation	Pool	Dedicated Acreage:
3713	San Andres	Wildcat San Andres	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

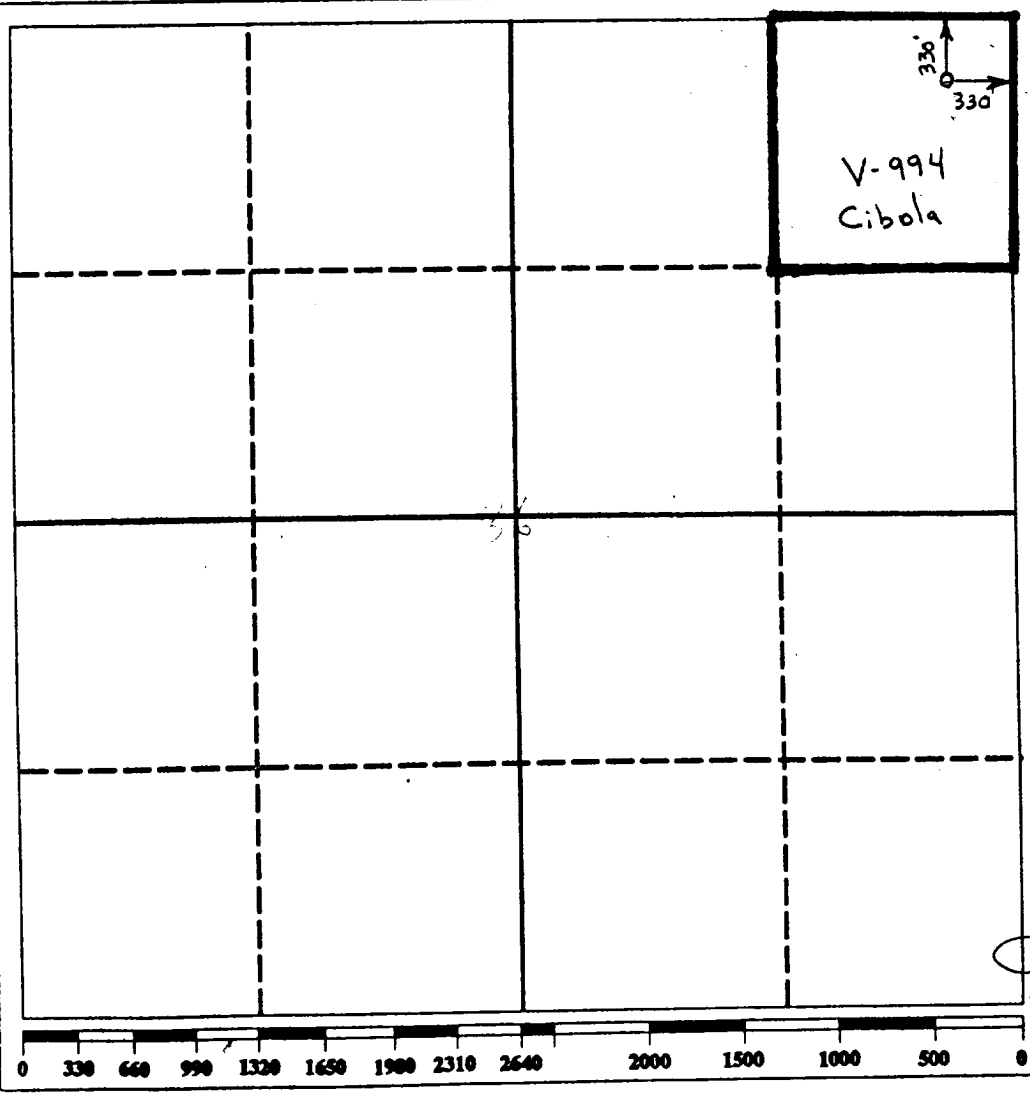
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: Ken Beardemphl

Printed Name: KEN BEARDEMPHL

Position: AGENT

Company: Pet. Corp. YATES ~~EXPLORATION~~

Date: 2-27-89

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 supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: February 23, 1989

Signature & Seal of Professional Surveyor: STATE OF NEW MEXICO HERSCHEL L JONES REGISTERED LAND SURVEYOR

Certificate No. 3640