

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☐DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

25575

3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, New Mexico 88210

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

At surface

354' FSL and 1870' FWL, Unit N

At proposed prod. zone

same

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

23 miles northwest of Roswell, New Mexico

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.

16. NO. OF ACRES IN LEASE

10,000

17. NO. OF ACRES ASSIGNED

TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

4164' GR

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|------------------------|
| 12 1/2" | 8 5/8" | 24# | 950' | 700 sacks - Circulated |
| 7 7/8" | 5 1/2" | 15.5# | TD | 350 sacks |

Yates Petroleum Corporation proposes to drill and test the Abo and intermediate formations. Approximately 950' of surface casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW Gel/LCM to 950'; Brine to 2500'; SW Gel/Sealant/KCL to TD.

BOPE PROGRAM: BOPE will be installed on the 9 5/8" casing and tested daily for operational.

GAS NOT DEDICATED

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT IN ADVANCE.

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 pressure, if any.

24.

SIGNED

Clifton R. May

TITLE Regulatory Agent

DATE 3-17-95

(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

T.R. Kruger

TITLE

Area Manager

DATE

4/13/95

*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

| | | | | | |
|------------------------------|--|--|--|--|---------------------|
| 1 API Number 30-005-63063 | | 2 Pool Code 82740 | | 3 Pool Name WEST PISCOS SLOPE; ABO, WEST (GAS) | |
| 4 Property Code | | 5 Property Name SALT CREEK UNIT | | | 6 Well Number 15 |
| 7 OGRID No. 025575 | | 8 Operator Name YATES PETROLEUM CORPORATION | | | 9 Elevation 4164 |

10 Surface Location

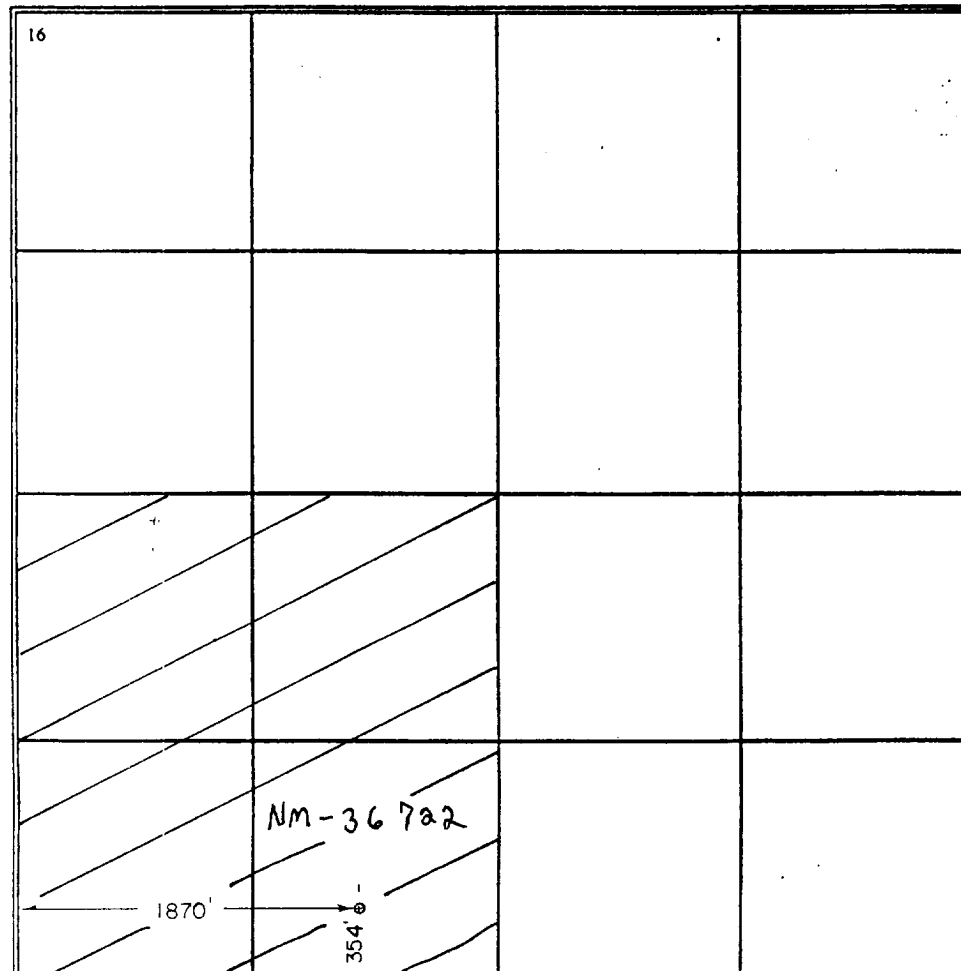
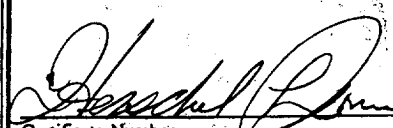
| | | | | | | | | | |
|--------------------|--------------|-----------------|---------------|---------|----------------------|---------------------------|-----------------------|------------------------|------------------|
| UL or lot no. N | Section 8 | Township 8 S | Range 22 E | Lot Idn | Feet from the 354 | North/South line SOUTH | Feet from the 1870 | East/West line WEST | County CHAVES |
|--------------------|--------------|-----------------|---------------|---------|----------------------|---------------------------|-----------------------|------------------------|------------------|

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 160 | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. |
|---------------------------|--------------------|-----------------------|--------------|

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

| | | |
|---|---|--|
| 16  | 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Clifton R. May</u> Printed Name <u>Clifton R. May</u> Title <u>Regulatory Agent</u> Date <u>3-17-95</u> | |
| | 18 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 supervision, and that the same is true and correct to the best of my belief. <u>2/07/95</u> Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number <u>3640</u> | |

YATES PETROLEUM CORPORATION

Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Salt Creek Unit #15
354' FSL and 1870' FWL
Section 8-T8S-R22E
Eddy County, New Mexico

Exhibit B

