

MOCC COPY

SUBMIT IN 1 INDICATE
(Other instructions on
reverse side)30-015-22470
Form approved.
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 18481
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Yates Petroleum Corporation		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR 207 South 4th Street, Artesia, NM 88210		8. FARM OR LEASE NAME Amoco JG Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1980/N 660/E Sec 13-18s-24e At proposed prod. zone		9. WELL NO. 1
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 8 miles west of Atoka		10. FIELD AND POOL, OR WILDCAT Fordinkus Morrow
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit 4 Sec 13-18s-24e
16. NO. OF ACRES IN LEASE 80		12. COUNTY OR PARISH Eddy
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE NM
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 8600		20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3648 GR		22. APPROX. DATE WORK WILL START* March 17, 1978

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2	13 3/8 New	48# J55	Approx 300'	300 Sx - Circulate
12 1/4	8 5/8 New	24# J55	Approx 1075'	550 Sx - Circulate
7 7/8	5 1/2 New or 4 1/2	15.5-17# K55 10.5-11.6# K55	Approx 8600'	250 SX

Propose to drill and test the Morrow and intermediate formation
Approx 300' of surface casing will be used to shut off gravel and
cavings, and intermediate casing will be set 100' below the
Artesian Water zone. If commercial pay is encountered, will run
5½ or 4½" casing and cement with at least 600' of cover.

Mud Program - F.W. gel to csg ft., wtr to 5400', flosal-driskak
KCL mud to TD with MW 8.9-9.1, vis 34-42, WL 12-7.

BOP Program: BOP's and hydril on 8 5/8" casing, tested daily,
Yellow Jacketed prior to drilling the Wolfcamp.

Gas Not Dedicated

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 Eddie M. Walcott TITLE Engineer DATE 3/1/78
(This space for Federal or State office use)

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PERMIT NO. _____ APPROVAL DATE MAR 22 1978
APPROVED BY Yates TITLE ACTING DISTRICT ENGINEER DATE MAR 22 1978
CONDITIONS OF APPROVAL, IF ANY:

THIS APPROVAL IS RESCINDED IF OPERATIONS
ARE NOT COMMENCED WITHIN 3 MONTHS.
EXPIRES JUN 22 1978

*See Instructions On Reverse Side

NOTIFY USGS IN SUFFICIENT TIME TO
WITNESS CEMENTING THE CASING

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
 Supersedes C-12B
 Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator YATES PETROLEUM CORPORATION			Lease AMOCO JG FED		Well No. 1
Unit Letter H	Section 13	Township 18 South	Range 24 East	County Eddy	
Actual Footage Location of Well:					
1980 feet from the North line and 660 feet from the East line					
Ground Level Elev. 3647.3	Producing Formation Morrow	Pool Undesignated		Dedicated Acreage 320 Acres	

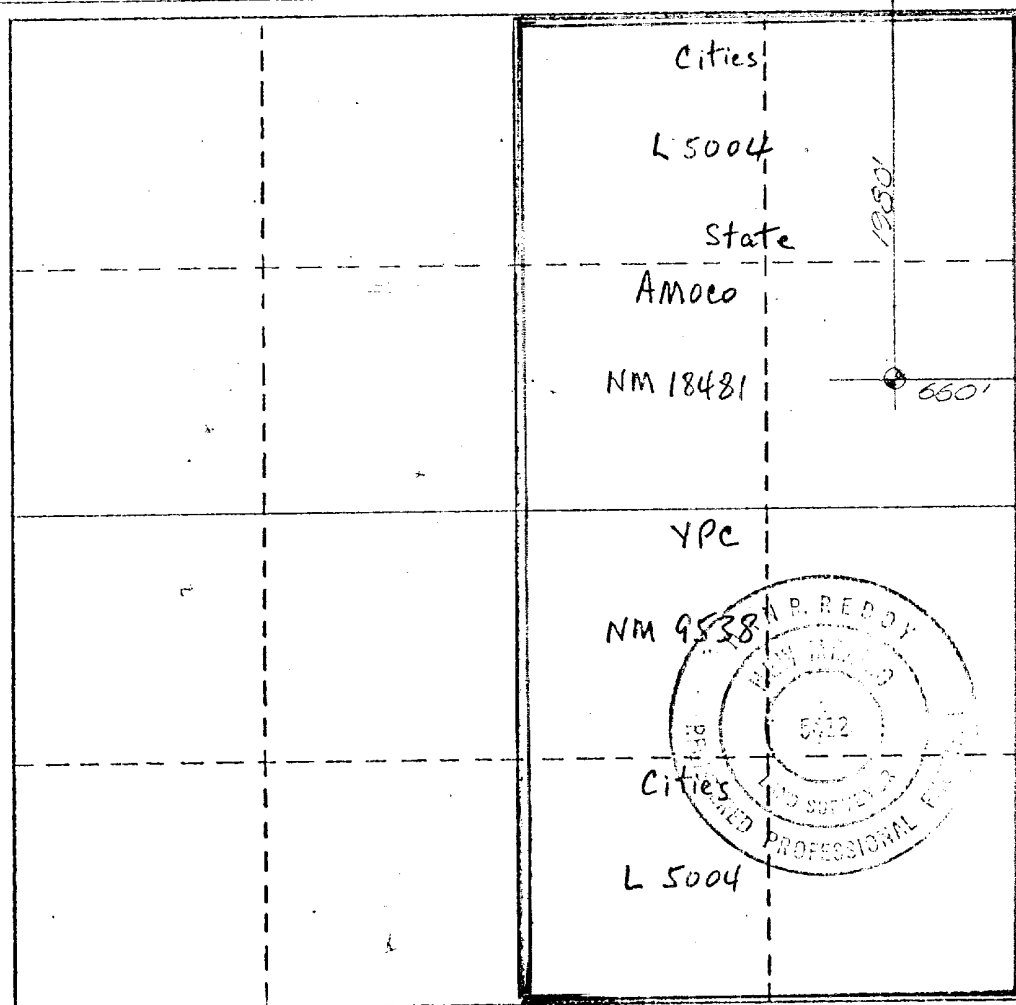
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests been consolidated by communitization, unitization, force-pooling, etc?

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☒ 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.

Eddie M. Manford
 Name

Eddie M. MANFORD
 Name

ENGINEER
 Position

Yates Petroleum Corp
 Company

2-27-78
 Date

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.

2/25/78
 Date Surveyed

Registered Professional Engineer and/or Land Surveyor

R. Reddy
 Certificate No.

NM PE&LS #5412

Application For Drilling
Yates Petroleum Corporation
Amoco JG Federal Well No. 1
Eddy County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well in Section 13, Township 18 South, Range 24 East, Eddy County, New Mexico, Yates Petroleum Corporation, submits the following ten items of pertinent information in accordance with USGS requirements:

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

650' San Andres	7800' Strawn
3971' Abo	8085' Atoka
5091' Wolfcamp Limestone	8280' Morrow Clastics
6310' Cisco	8490' Chester
7262' Canyon	8540' TD
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:
water: 300'
oil or gas: 5091' Wolfcamp, 6310' Cisco, 8280' Morrow
4. Proposed Casing Program: See Form 9-331C
5. Pressure Control Equipment: See Form 9-331C (BOP, Program) and Exhibit D.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: None
8. Testing, logging and coring programs:
Drilling samples: 10' sample surface to TD
Logging: CNL/FDC TD to CSNG
W/CNL/GR on to surface
DLL TD to CSNG w/min RXD
Coring: None
Drill Stem Test: As warranted
Mudlogging: at 5800'
9. No abnormal pressures or temperatures are anticipated
10. Anticipated starting date: March 17, 1978.

1. Existing Roads: Refer to Exhibit A & B. South from Artesia on U.S. 285 for 6 miles then west on 4-Dinkus Road for 8.3 miles. The first 1.5 miles is blacktop, rest of road is improved caliche ranch and oilfield road.
2. Planned Access Roads: Refer to Exhibits A&B. Approx 35 miles of new road, 12' wide, north from flagging on existing road, to be caliched with culvert in drainage ditch near existing road.
3. Location of existing wells: Refer to Exhibits A&B. There are several producing Cisco wells on the SW-NE trend and some Morrow producers to the SE within 2-4 mile radius of this location. There are also several windmills within a 3-mile radius, one within 1 mile.
4. Tank Batteries, production facilities and lease pipelines: Refer to Exhibit C. Production facilities will be on the SE corner of the pad.
5. Water Supply: Water will be trucked from any available commercial source using existing and access roads.
6. Construction Material: Refer to Exhibit B. Gravel and caliche from Lincoln County Cattle Company open pits and surface cuts along right of way.
7. Waste Disposal: Refer to Exhibit C. Well cuttings will be disposed of in the reserve pits; mud sacks, paper and garbage will be burned; garbage will be accumulated in trash barrels and disposed of by burning or buried three feet in the burn pit. If productive, produced water will be collected in a tank and hauled away.
8. Ancillary Facilities: No camps, airstrips etc. will be constructed.
9. Wellsite Layout: Refer to Exhibit C, shows position of drill pad, rig, reserve pits, burn pit, mud pits, jet sump, pipe racks, pumps, water tanks. Pad Size - 220 X 270 Cut and fill - Negligible
Surfaced - with gravel and caliche Reserve Pit - 80' X 110', plastic-lined. Pad is flagged with red tape. Pit area is flagged with orange tape.
10. Restoration of Surface: If well is productive, pits will be fenced until dry, then backfilled and levelled as soon as practical. Location will be cleaned, all excess material removed from location. Upon abandonment location will be cleaned and levelled or restored in compliance with BLM stipulations.
11. Other Information: (a) Terrain is flat, is about one mile north of Penasco Draw, (b) Soil is alluvium and gravel (c) Vegetation consists of some prairie grass, creosote bush, cactus and yucca (d) There are no ponds or streams within miles of location. The nearest windmills or water wells are located about 1 mile to the South (e) The nearest residences or buildings are located about 2 miles to the Southeast (f) Surface use is grazing. (g) The effect on the environment will be minimal; drillsite is in semi-arid desert country, wind-blown and natural re-seeding. (h) Surface ownership is to Lincoln County Cattle Company of Roswell, New Mexico.
12. LESSEE'S OR OPERATOR'S REPRESENTATIVE: Eddie Mahfood, 207 So. 4th, Artesia, NM.
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 Corp. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Eddie Mahfood, ENGR

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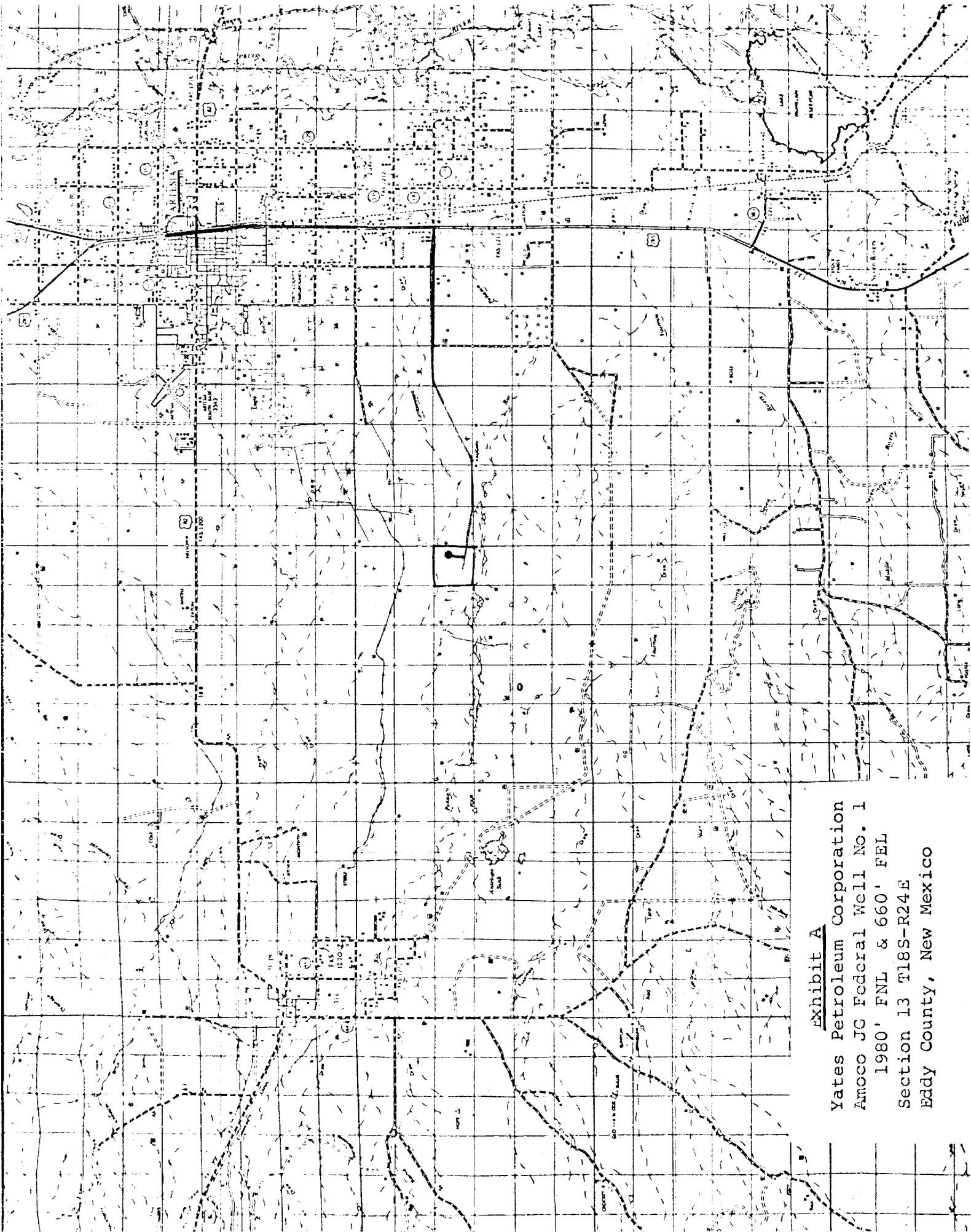


Exhibit A
Yates Petroleum Corporation
Amoco JG Federal Well No. 1
1980' FNL & 660' FEL
Section 13 T18S-R24E
Eddy County, New Mexico

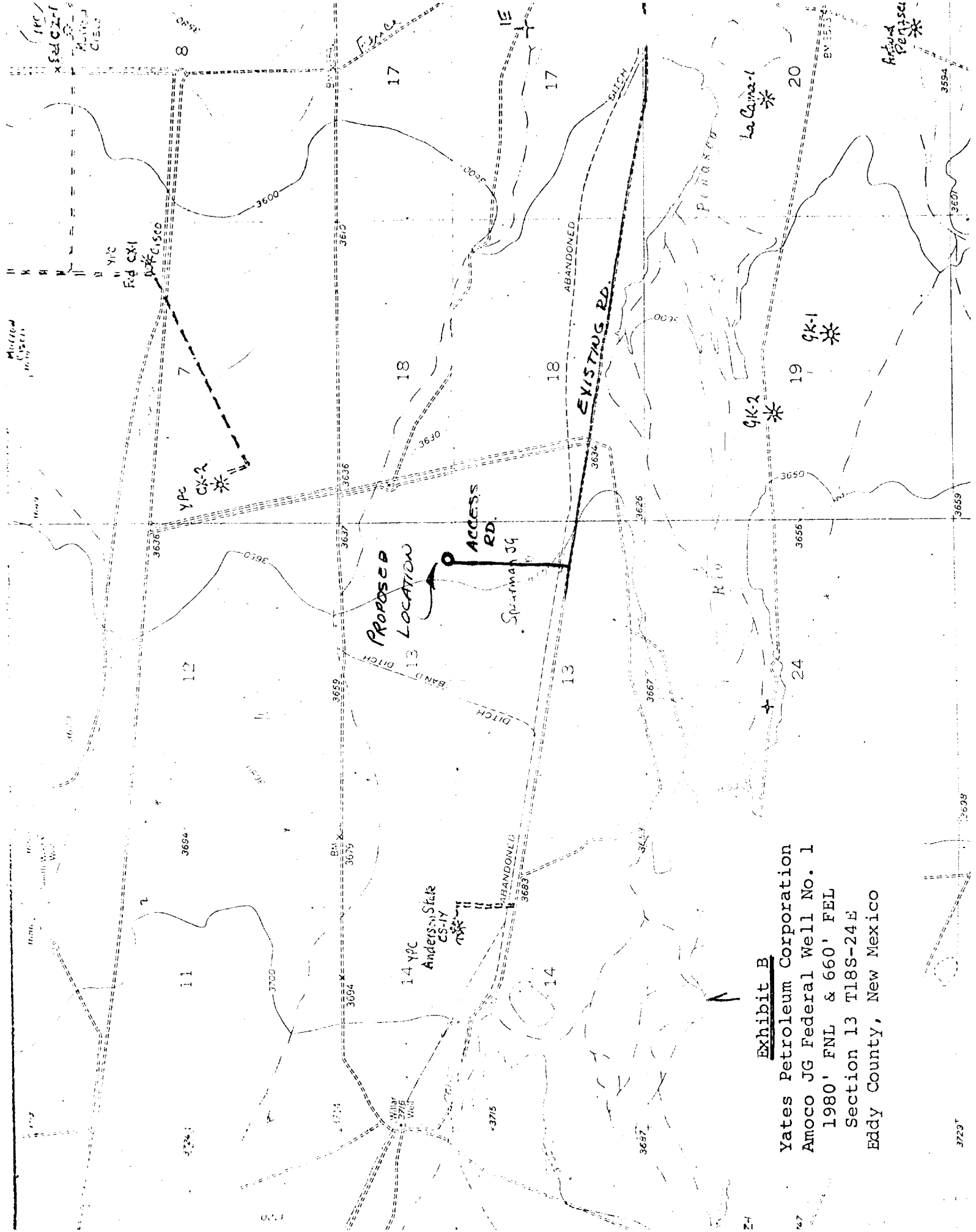
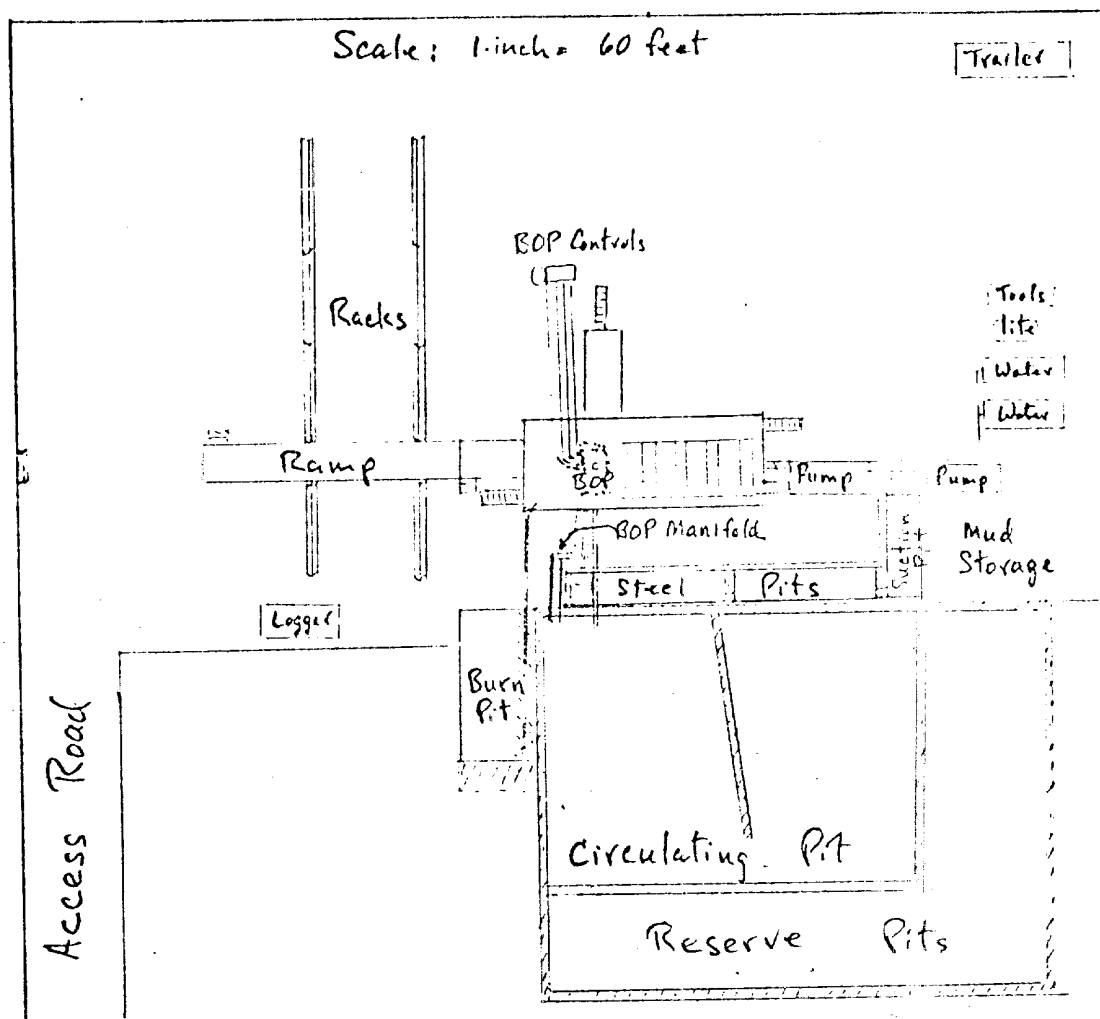


Exhibit B
Yates Petroleum Corporation
Amoco JG Federal Well No. 1
1980' FNL & 660' FEL
Section 13 T18S-24E
Eddy County, New Mexico



Drilling Rig layout

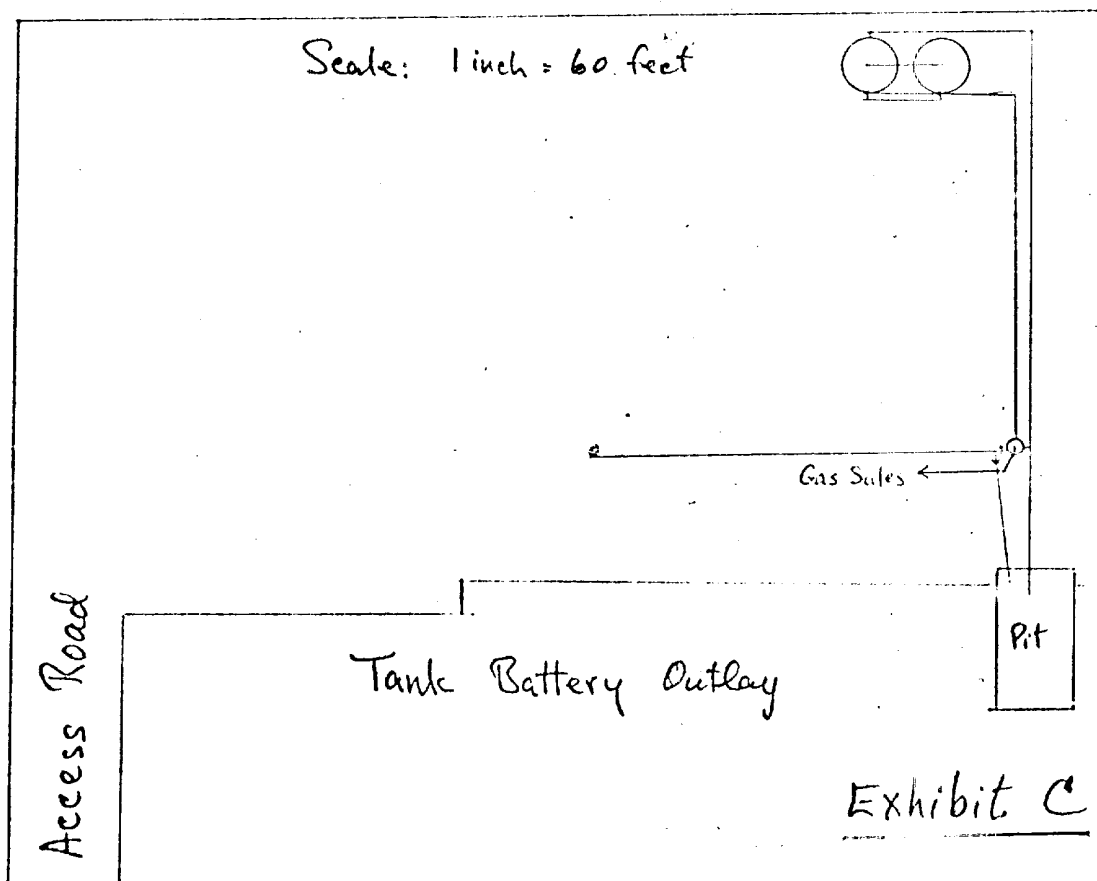
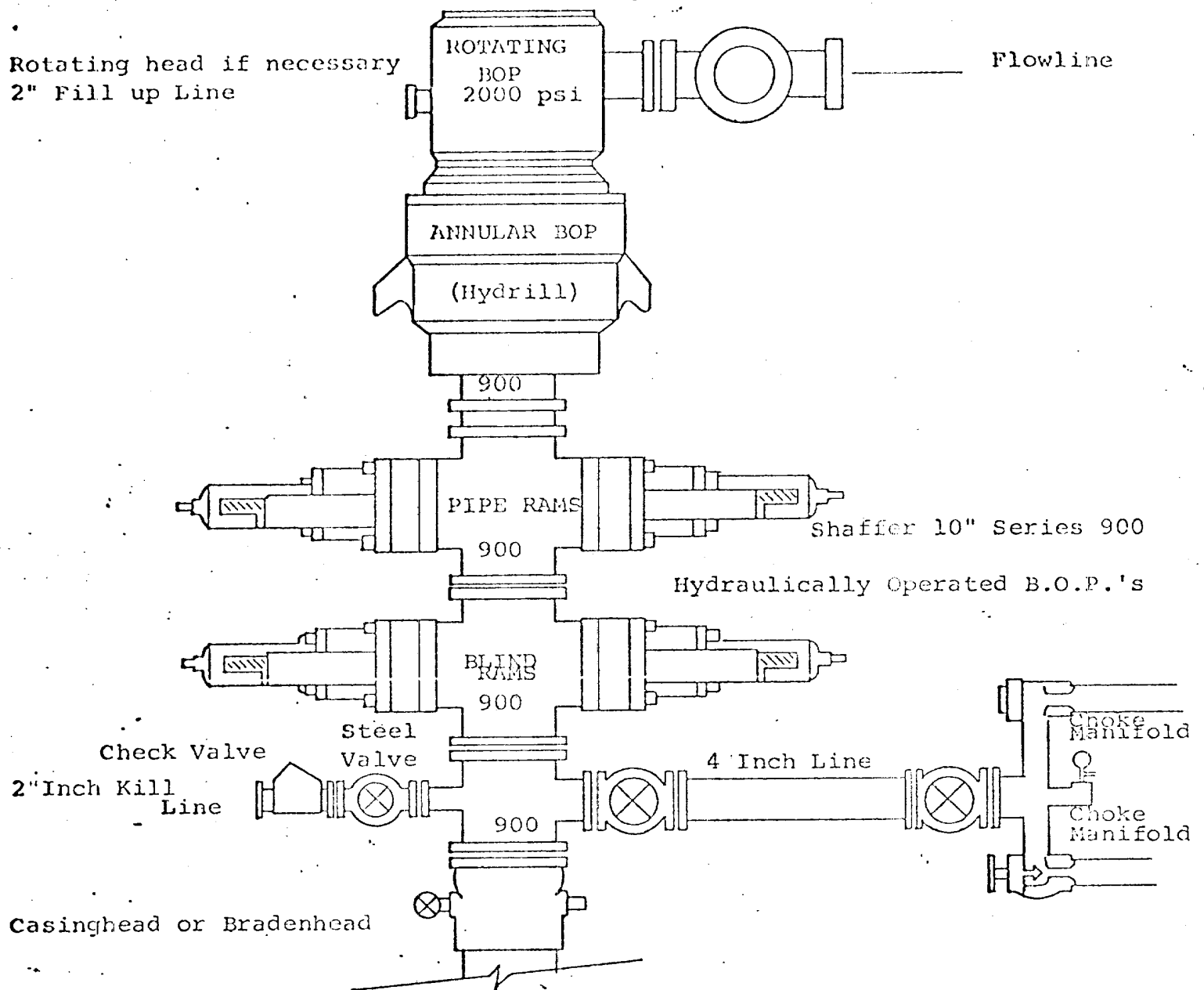


Exhibit C



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. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube 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 located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.

EXHIBIT
D