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RECEIVED
NEW MEXICO OIL CONSERVATION COMMISSION
JUL 8 1980
O. C. D.
ARTESIA, OFFICE

30-015-23402
 Form C-101
 Revised 1-1-65

5A. Indicate Type of Lease	
STATE <input type="checkbox"/>	FEE <input checked="" type="checkbox"/>
5. State Oil & Gas Lease No.	
7. Unit Agreement Name	
8. Farm or Lease Name	
Rushing "NJ"	
9. Well No.	
2	
10. Field and Pool, or Wildcat	
Penasco Draw (SA Yeso) Assoc	
12. County	
Eddy	
19. Proposed Depth	19A. Formation
3000'	Yeso
20. Rotary or C.T.	
Rotary	
21. Elevations (Show whether DF, RT, etc.)	22. Approx. Date Work will start
3584' GL	ASAP

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"/>	
b. Type of Well	
OIL WELL <input checked="" type="checkbox"/>	GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	
Yates Petroleum Corporation	
3. Address of Operator	
207 South 4th Street, Artesia, New Mexico 88210	
4. Location of Well	
UNIT LETTER P	LOCATED 330 FEET FROM THE South LINE
AND 330 FEET FROM THE East	LINE OF SEC. 6 TWP. 19S RGE. 25E NMPM
19. Proposed Depth	
3000'	
19A. Formation	
Yeso	
20. Rotary or C.T.	
Rotary	
21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond
3584' GL	Blanket
21B. Drilling Contractor	22. Approx. Date Work will start
Cactus Drilling Co.	ASAP

23. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	10 3/4"	32.75	approx. 320'	275	circulate
9 5/8"	7"	20#	approx. 1000'	500	circulate
6 1/4"	4 1/2"	9.5	approx. 3000'	200	circulate

Propose to drill a Yeso test well. Approximately 320' of surface casing will be set to shut off gravel and caving, and intermediate casing will be set 100' below the Artesian Water Zone. A 4 1/2" production string will be run to TD and all strings circulated. Well will be perforated and stimulated for production.

MUD PROGRAM: F.W. gel and LCM to 1000', fresh water to TD.

BOP PROGRAM: BOP's will be installed on the 7" casing and tested, pipe rams daily, blind rams on trips.

APPROVAL VAND
 FOR 90 DAYS UNLESS
 DRILLING COMMENCED,

Notify N.M.O.C.C. in sufficient
 time to witness cementing
 the 7" casing

EXPIRES 10-9-80

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 John A. Lopez Title Regulatory Coordinator Date July 8, 1980
 (This space for State Use)

APPROVED BY M. Williams TITLE OIL AND GAS INSPECTOR DATE JUL 9 1980

CONDITIONS OF APPROVAL, IF ANY: Cement must be circulated to surface behind 10 3/4" 7" casing Notify N.M.O.C.C. in sufficient time to witness 7"

**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.

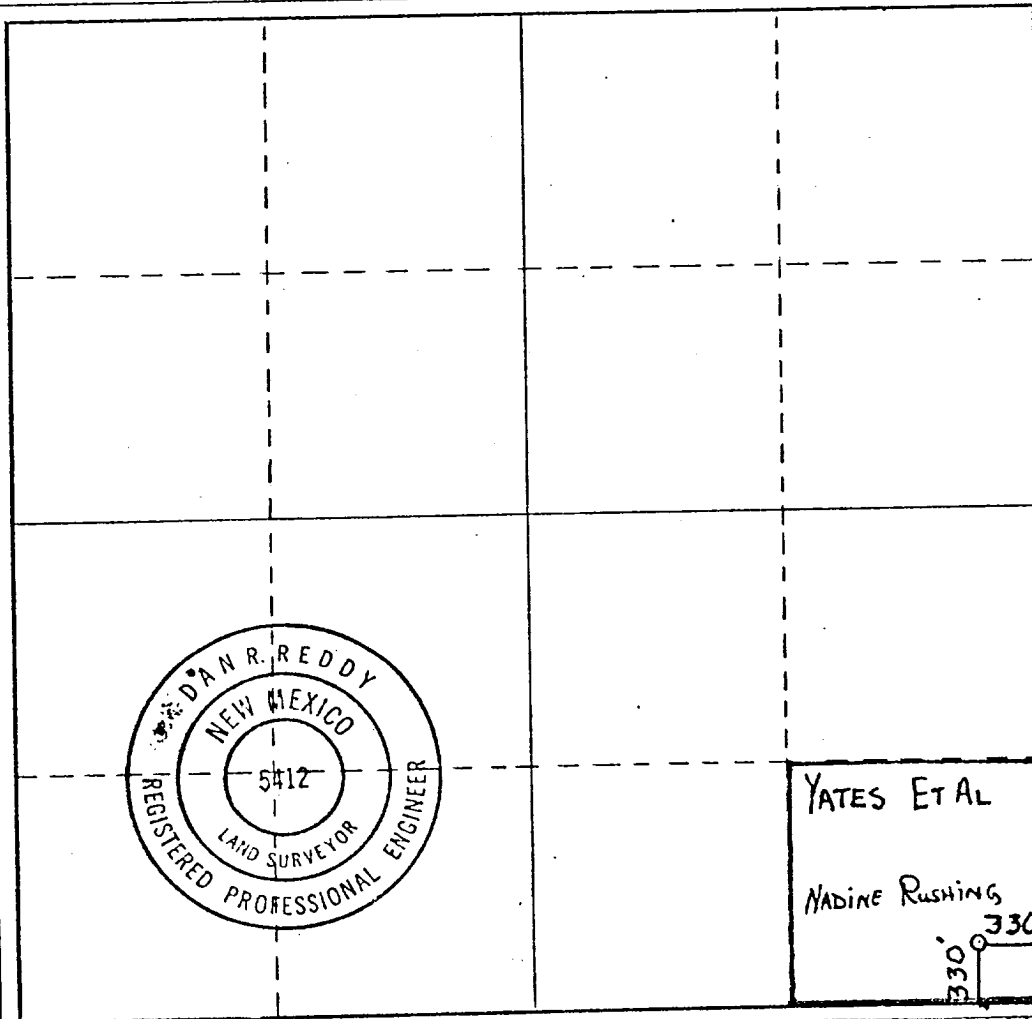
Operator YATES PETROLEUM CORPORATION			Lease Rushing NJ		Well No. 2
Unit Letter P	Section 6	Township 19 South	Range 25 East	County Eddy	
Actual Footage Location of Well: 330 feet from the East line and 330 feet from the South line					
Ground Level Elev. 3584.	Producing Formation YESO		Pool PEÑASCO DRAW SA-YESO (Assoc.)		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?

☐ 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.

Johnny A. Lopez
Name

JOHNNY A. LOPEZ
Position

REGULATORY COORDINATOR
Company

YATES PETROLEUM CORPORATION
Date

7/8/80

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.

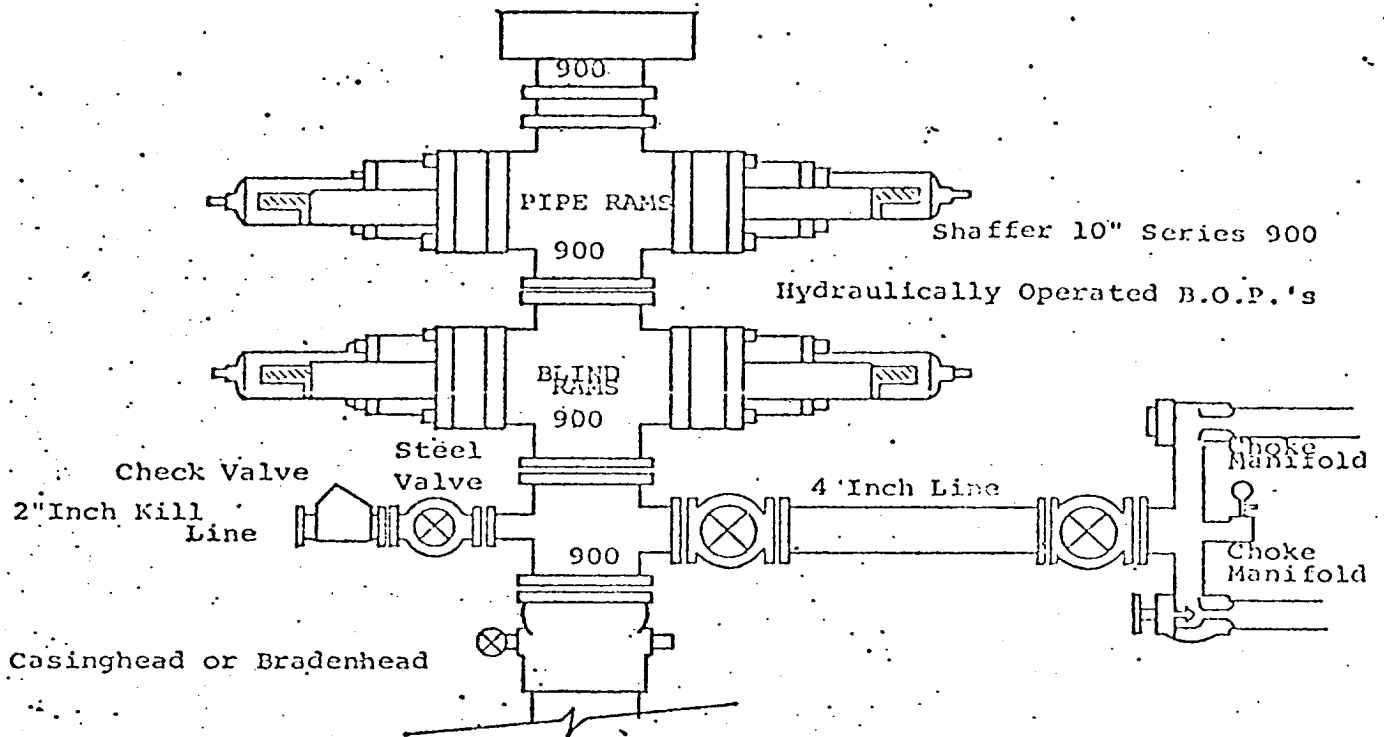
Date Surveyed
July 5, 1980

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy
Certificate No.

NM PE&LS #5412

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



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.