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RECEIVED BY  
MAR 14 1986  
O. C. D.  
ARTESIA OFFICE

Form C-101  
Revised 10-1-78

5A. Indicate Type of Lease  
STATE ☒ FEE ☐  
5. State Oil & Gas Lease No.  
LG-465

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name	
2. Name of Operator Yates Petroleum Corporation		8. Farm or Lease Name Monarch ADY State	
3. Address of Operator 207 South Fourth Street - Artesia, NM 88210		9. Well No. 1	
4. Location of Well UNIT LETTER M LOCATED 660 FEET FROM THE South LINE AND 660 FEET FROM THE West East LINE OF SEC. 12 TWP. 19S RGE. 27E NMPM		10. Field and Pool, or Wildcat UNDES Artesia Queen Grayburg, SAN ANDRES	
		12. County Eddy	
		19. Proposed Depth 2300'	
		19A. Formation San Andres	
		20. Rotary or C.T. Rotary	
21. Elevations (show whether DF, KT, etc.) 3471' GR		21A. Kind & Status Plug. Bond Blanket	
		21B. Drilling Contractor Undesignated	
		22. Approx. Date Work will start ASAP	

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# K-55	Approx. 450'	350 sacks	Circulate
7-7/8"	5-1/2"	14# K-55	TD	450 sacks	

We propose to drill a San Andres test. Will set approximately 450' of 8-5/8" casing and will be cemented to the surface to shut off gravel and cavings. A tapered oil string will be run and cemented, perforated and stimulated as needed for production.

MUD PROGRAM: FW, gel & LCM to 450', brine to TD

BOP PROGRAM: BOP's will be installed on the 8-5/8" casing and tested daily

APPROVED BY 180 DAYS  
9-14-86  
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 Cy Covan Title Regulatory Agent Date March 12, 1986

(This space for State Use)  
Original Signed By  
Mike Williams

APPROVED BY Oil & Gas Inspector TITLE Oil & Gas Inspector DATE MAR 14 1986

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Oil & Gas Inspector

8/6

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-77

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

Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Monarch ADY State</b>		Well No. <b>1</b>
Unit Letter <b>M</b>	Section <b>12</b>	Township <b>19 South</b>	Range <b>27 East</b>	County <b>Eddy</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span>660 feet from the <b>South</b> line and</span> <span>660 feet from the <b>West</b> line</span> </div>					
Ground Level Elev. <b>3471.</b>	Producing Formation <b>SAN ANDRES</b>	Pool <b>ARTESIA, QUEEN, GRAYBURG SAN ANDRES</b>		Dedicated Acreage: <b>40</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, forced pooling, ☒ C. D.  

**RECEIVED BY**  
**MAR 14 1986**  
**ARTESIA, OFFICE**

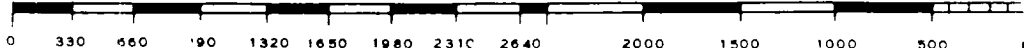
☐ Yes    ☒ No    If answer is "yes," type of consolidation: \_\_\_\_\_

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.

**LG-465**  

660'



**CERTIFICATION**

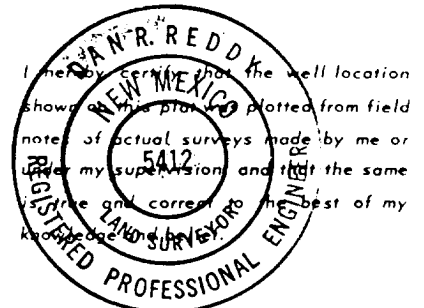
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Cy Cowan*  
Name **Cy Cowan**

Position **Regulatory Agent**

Company **Yates Petroleum Corporation**

Date **March 13, 1986**



Date Surveyed **March 11, 1986**

Registered Professional Engineer and/or Land Surveyor

*San R. Reddy*  
Certificate No. \_\_\_\_\_

**NM PE&LS NO. 5412**

# EXHIBIT B

## BOP DIAGRAM

RATED 3000<sup>#</sup>

