

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

API NO. (Assigned by OCD on New Wells)	3-59-26691
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Ceniza "AGZ" Com.
8. Well No.	6
9. Pool name or Wildcat	S. Dagger Draw Upper Penn

10. Proposed Depth	8100'
11. Formation	Canyon
12. Rotary or C.T.	Rotary
13. Elevations (Show whether DF, RT, GR, etc.)	3603'
14. Kind & Status Plug. Bond	Blanket
15. Drilling Contractor	Not Designated
16. Approx. Date Work will start	ASAP

17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
14 3/4"	9 5/8"	36# J-55	1200'	1100 sacks	Circulated
8 3/4"	7"	23-26#	TD	As warranted	
		J-55 & N-80			

Yates Petroleum Corporation proposes to drill and test the Canyon and intermediate formations. Approximately 1200' of surface casing will be set and cement circulated to shut off gravel and cavings. If commercial, production casing will be run and cemented, will perforate and stimulate as needed for production.

MUD PROGRAM: FW Gel/LCM to 1200'; FW to 5000'; cut Brine to 7200'; SW Gel/Starch to TD.

BOP PROGRAM: BOP's and hydrill will be installed on 9 5/8" casing and tested daily.

APPROVAL FOR 180 DAYS
PERMIT EXPIRES 9/27/91
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.

SIGNATURE Ken Beardemphl TITLE Landman DATE 3-25-91

TYPE OR PRINT NAME Ken Beardemphl TELEPHONE NO. 748-1471

(This space for State Use) ORIGINAL SIGNED BY

MIKE WILLIAMS

APPROVED BY SUPERVISOR, DISTRICT II TITLE

CONDITIONS OF APPROVAL, IF ANY:

MAR 27 1991

NOTIFY N.M.O.C.D. IN SUFFICIENT
TIME TO WITNESS CEMENTING
9:58

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W 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.

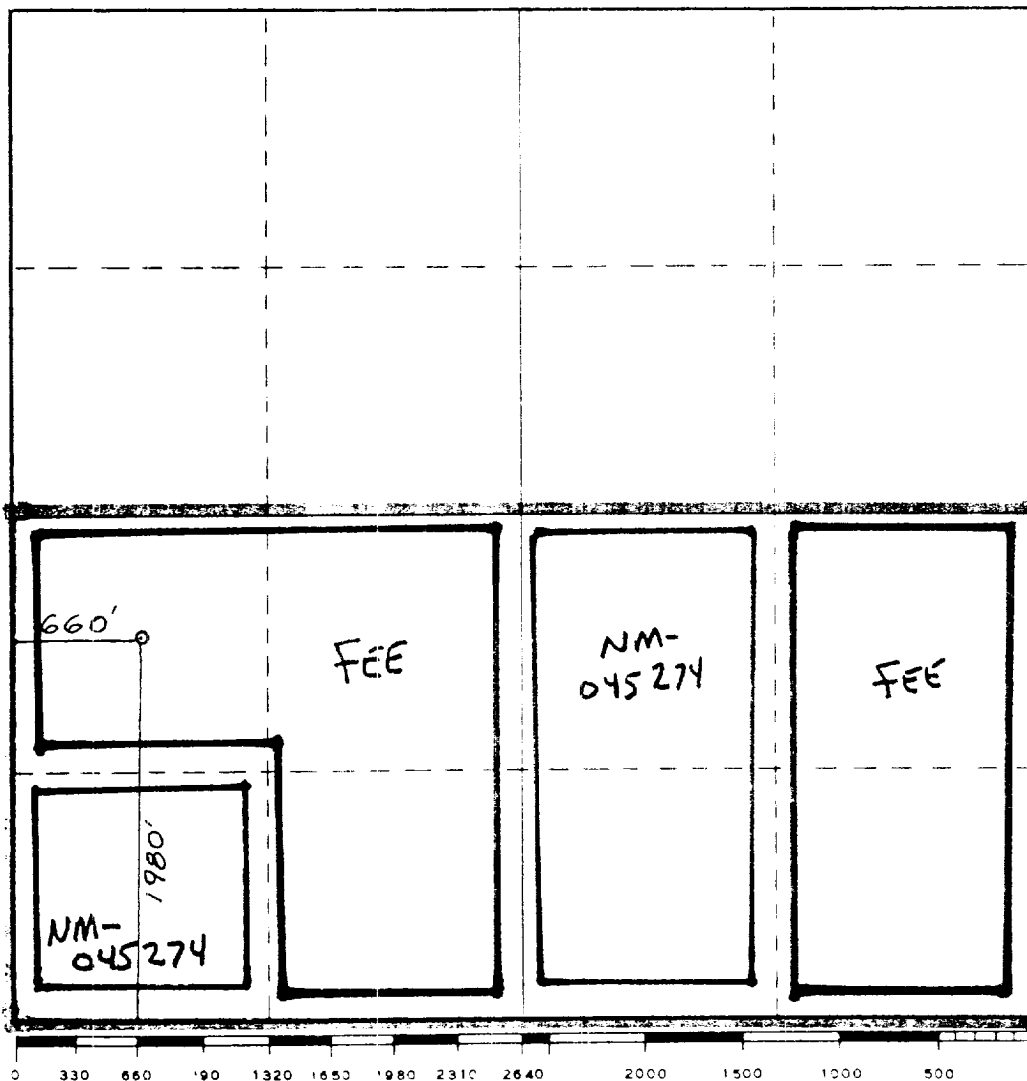
Operator YATES PETROLEUM CORPORATION			Lease AGZ Ceniza AGS Com		Well No. 6
Unit Letter L	Section 13	Township 20 South	Range 24 East	County Hddy County, N.M.	
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3603.	Producing Formation Canyon		Pool S. Dagger Draw Upper Penn		Dedicated Acreage: 320 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 communization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communization

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 communization, 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.

[Signature]

KEN BERNDORF

LANDMAN

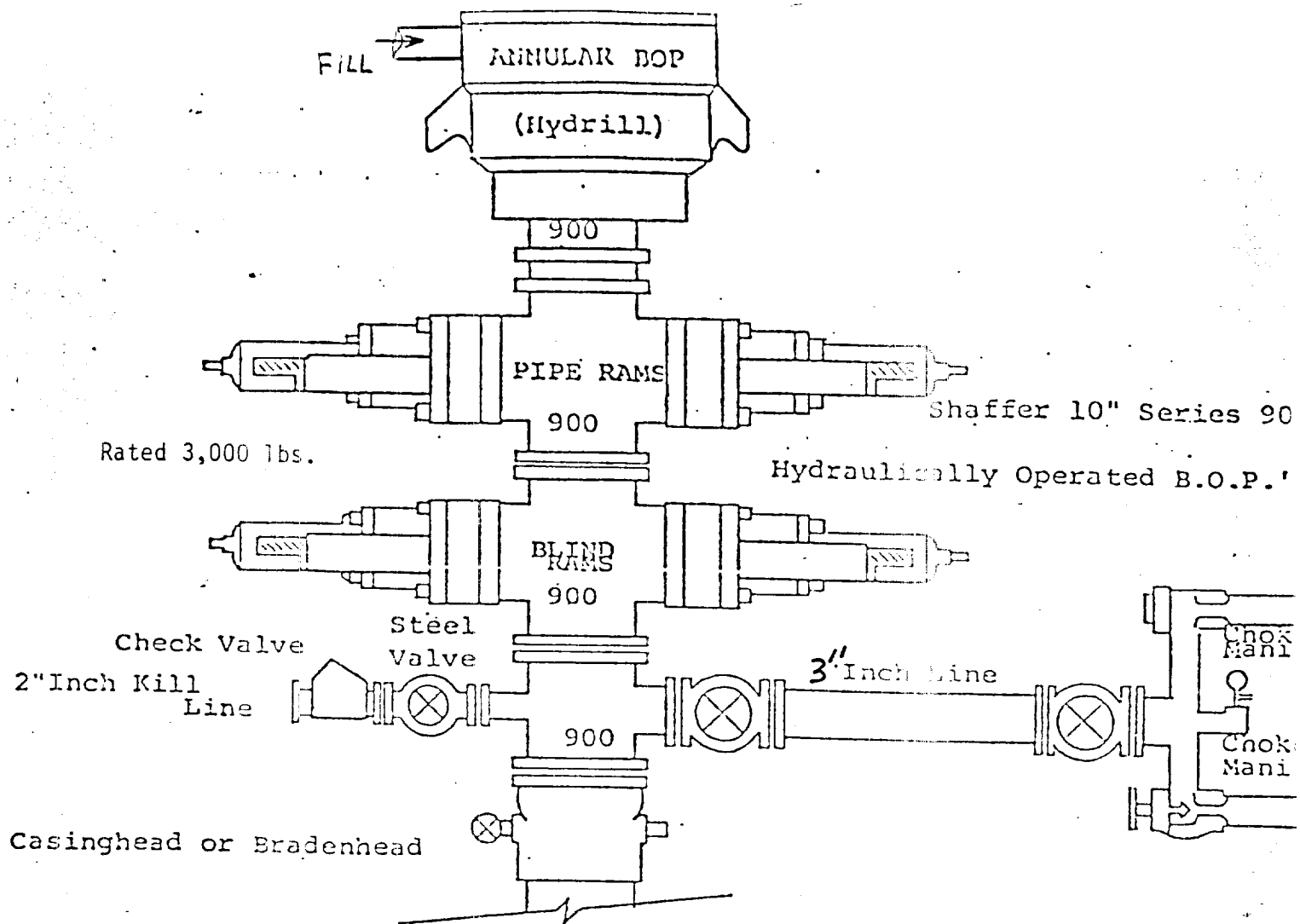
Yates Pet. Corp.

3-25-91

DAN R. REDDY
 Licensed Professional Engineer
 State of New Mexico
 License No. 5412

Witnessed
March 21, 1991
Registered Professional Engineer
and Land Surveyor

[Signature]
Certificate No.
NM PE&PS NO. 5412



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 3" 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.