

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.
NM-36943

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A

7. UNIT AGREEMENT NAME
N/A

8. FARM OR LEASE NAME
Henry AGC Federal

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Alamito Gallup Ext.

11. SEC., T., R., M., OR BLM, AND SURVEY OR AREA
29-23n-7w NMPM

12. COUNTY OR PARISH
Sandoval

13. STATE
NM

17. NO. OF ACRES ASSIGNED TO THIS WELL
40

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START*
July 25, 1989

1A. TYPE OF WORK
DRILL DEEPEN PLUG BACK

B. TYPE OF WELL
OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR
Yates Petroleum Corporation (505) 748-1471

3. ADDRESS OF OPERATOR
105 South 4th Street, Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 860' FNL & 590' FWL (NWNW)
At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
10 air miles SE of Nageezi, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
860'

16. NO. OF ACRES IN LEASE
1,402.64

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
N/A

19. PROPOSED DEPTH
5,500'

21. ELEVATIONS (Show whether DE, RT, GR, etc.)
6,903' ungraded ground

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24* (J-55, ST&C)	250'	≈ 150 cu ft or to surface
7-7/8"	5-1/2"	15.5* (J-55, ST&C)	5,500'	≈ 1,400 cu ft or to surface
or	4-1/2"	9.5/10.5 (" ")	5,500'	≈ 1,900 cu ft or to surface

RECEIVED
JUL 7 1989

TIGHT HOLE. PLEASE KEEP CONFIDENTIAL. OIL CON. DIV. DIST. 3

This APD is also doubling as a BLM road right-of-way application. Requested right-of-way is 40' wide and 4.0 miles long. All of it is an existing crowned and ditched road. Right-of-way crosses N2N2 Sections 1-3, T. 22 N., R. 8 W.; N2NW4 Sec. 6, T. 22 N., R. 7 W.; and SESW & S2SE4 Sec. 31, T. 23 N., R. 7 W. The first three sections are in San Juan County. The last two sections are in Sandoval County. See PAGES 6 and 13 for more detail.

Approval of this action does not warrant that the applicant has a valid lease or title to this lease.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on depth, proposed casing and cementing program, 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 Brian Wood TITLE Consultant DATE 5-24-89

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____ APPROVED AS AMENDED

APPROVED BY _____ TITLE _____ DATE JUN 03 1989
OPERATOR AREA MANAGER

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-124
Effective 1-1-65

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

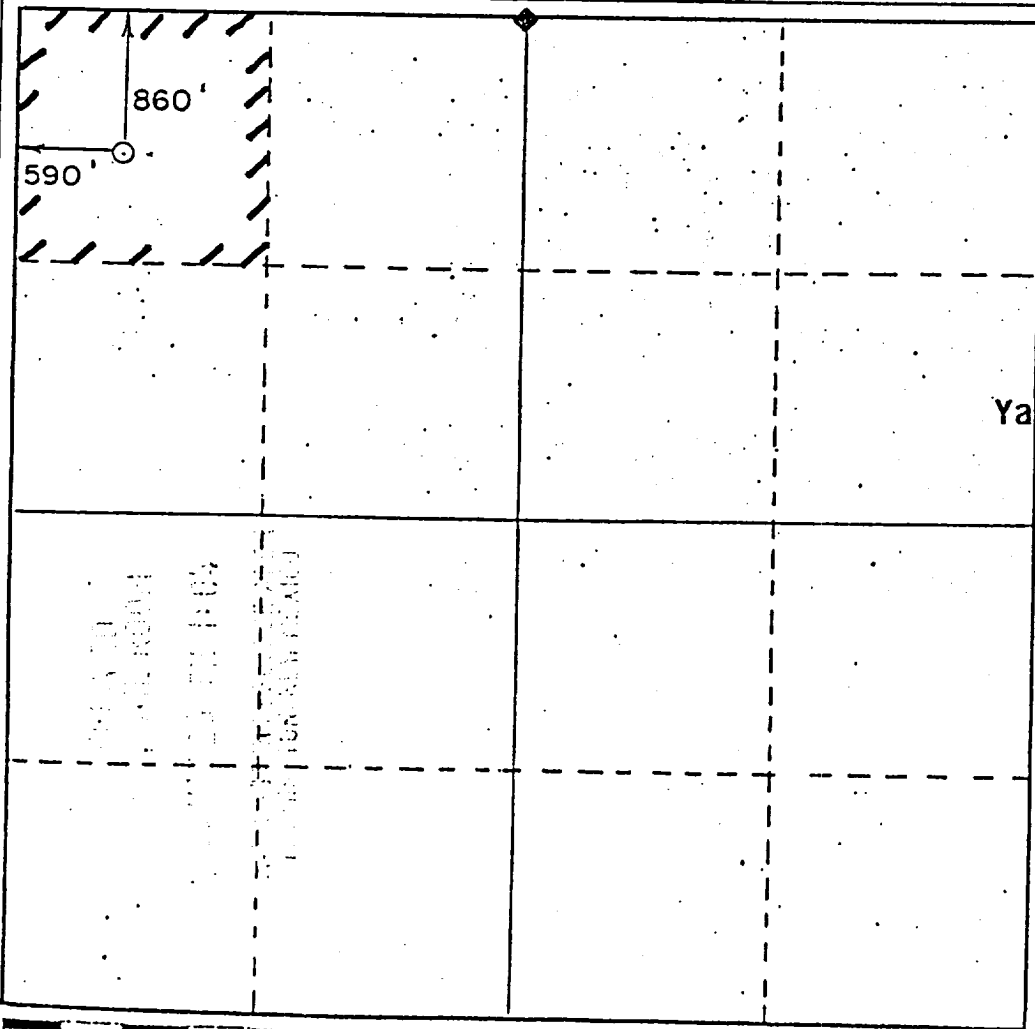
Operator Yates Petroleum Corporation		Lease Henry AGC Federal		Well No. Henry AGC Federal #1
Unit Letter D	Section 29	Township 23 North	Range 7 West	County Sandoval
Actual Footage Location of Well: 860 feet from the North line and 590 feet from the West line.				
Ground Level Elev. 6903'	Producing Formation Gallup	Pool Alamito Gallup Ext.	Dedicated Acres 40	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Brian Wood

Name **Brian Wood**

Position **Consultant**

Company **Yates Petroleum Corporation**

Date **May 24, 1989**

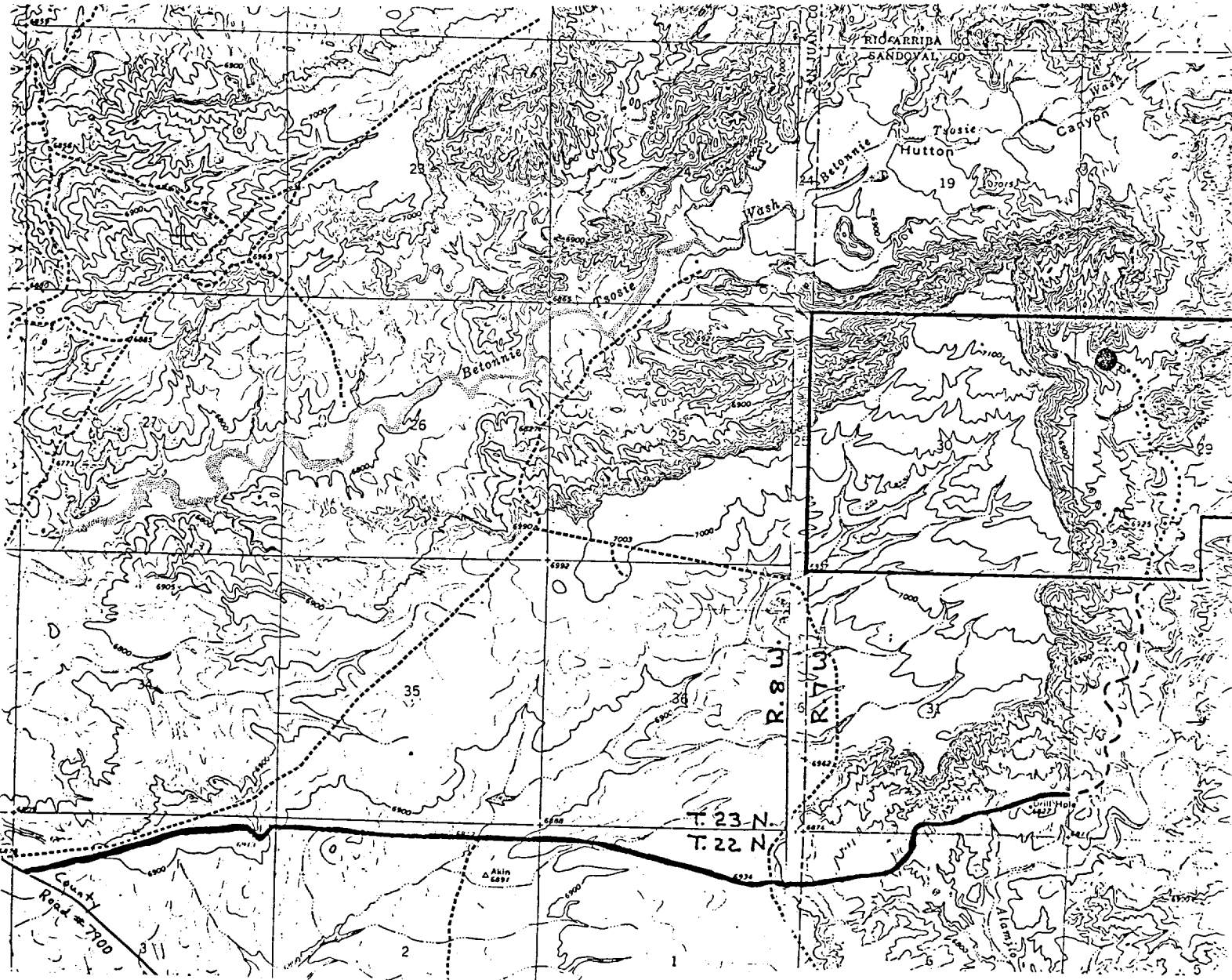
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed **5. 24. 1989**
Professional Engineer
and Surveyor
6844
James S. McDaniel
CERTIFIED LAND SURVEYOR



Yates Petroleum Corporation
Henry AGC Federal #1
860' FNL & 590' FWL
Sec. 29, T. 23 N., R. 7 W.
Sandoval County, NM

CONFIDENTIAL



BLM ROAD RIGHT-OF-WAY APPLICATION (all existing crowned & ditched): ~~~~~

NM STATE LAND OFFICE ROAD RIGHT-OF-WAY: - - - -

BLM OIL & GAS LEASE NM-36943: ┌

PROPOSED OIL WELL: ●

ON-LEASE ACCESS: