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NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101  
Revised 1-1-65

5A. Indicate Type of Lease  
STATE  FEE   
5. State Oil & Gas Lease No.  
**V-531**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work  
b. Type of Well DRILL  DEEPEN  PLUG BACK   
OIL WELL  GAS WELL  OTHER Re-enter SINGLE ZONE  MULTIPLE ZONE

2. Name of Operator  
**Yates Petroleum Corporation**

3. Address of Operator  
**105 South Fourth Street, Artesia, New Mexico 88210**

4. Location of Well UNIT LETTER **J** LOCATED **1980** FEET FROM THE **South** LINE AND **1980** FEET FROM THE **East** LINE OF SEC. **9** TWP. **23S** RGE. **35E** NMPM

7. Unit Agreement Name  
8. Farm or Lease Name  
**Sandwell "AEQ" State**

9. Well No.  
**1**

10. Field and Pool, or Wildcat  
**Wildcat**

12. County  
**Lea**

19. Proposed Depth  
**12,400'**

19A. Formation  
**Strawn**

20. Rotary or C.T.  
**Rotary**

21. Elevations (Show whether DF, RT, etc.)  
**3493' GL**

21A. Kind & Status Plug Bond  
**Blanket**

21B. Drilling Contractor  
**Undesignated**

22. Approx. Date Work will start  
**As soon as possible**

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
26"	20"	94#	516'	950 Sx	in place
17 1/2"	13 3/8"	68#	5655'	2900 Sx	in place
12 1/4"	9 5/8"	40#	11,840'	1550 Sx	cut & pulled 3775' 9 5/8" casing

This well was originally drilled by Gulf Oil Corporation as the Sandwell Com. #1 spudded 10/5/77, plugged and abandoned 1/3/78. We propose to drill out plugs at the surface, 1800', 3775', 11,725 and clean out to the Strawn formation. We will drill stem test from 12,400' to 12,450'; if commercial 5 1/2" will be run. If not, we will plug back with cast iron bridge plug back to 9 5/8" casing, perforate and stimulate as needed for production in the Wolf-camp, 11,490' - 11,500'; cast iron bridge plug and cement to 11,400' if non-commercial. Other zones that may be tested are the Bone Springs, 9600' - 9770' and Delaware. All non-producing formations will be plugged off with cast iron bridge plug and cement. Any producing zones will be perforated and stimulated for production.

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 *Jerry Sexton* Title Permit Agent Date 5-21-87  
(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON

APPROVED BY DISTRICT I SUPERVISOR TITLE \_\_\_\_\_ DATE MAY 21 1987

CONDITIONS OF APPROVAL, IF ANY:

RECEIVED  
MAY 21 1987  
OCD  
HOBBS OFFICE

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

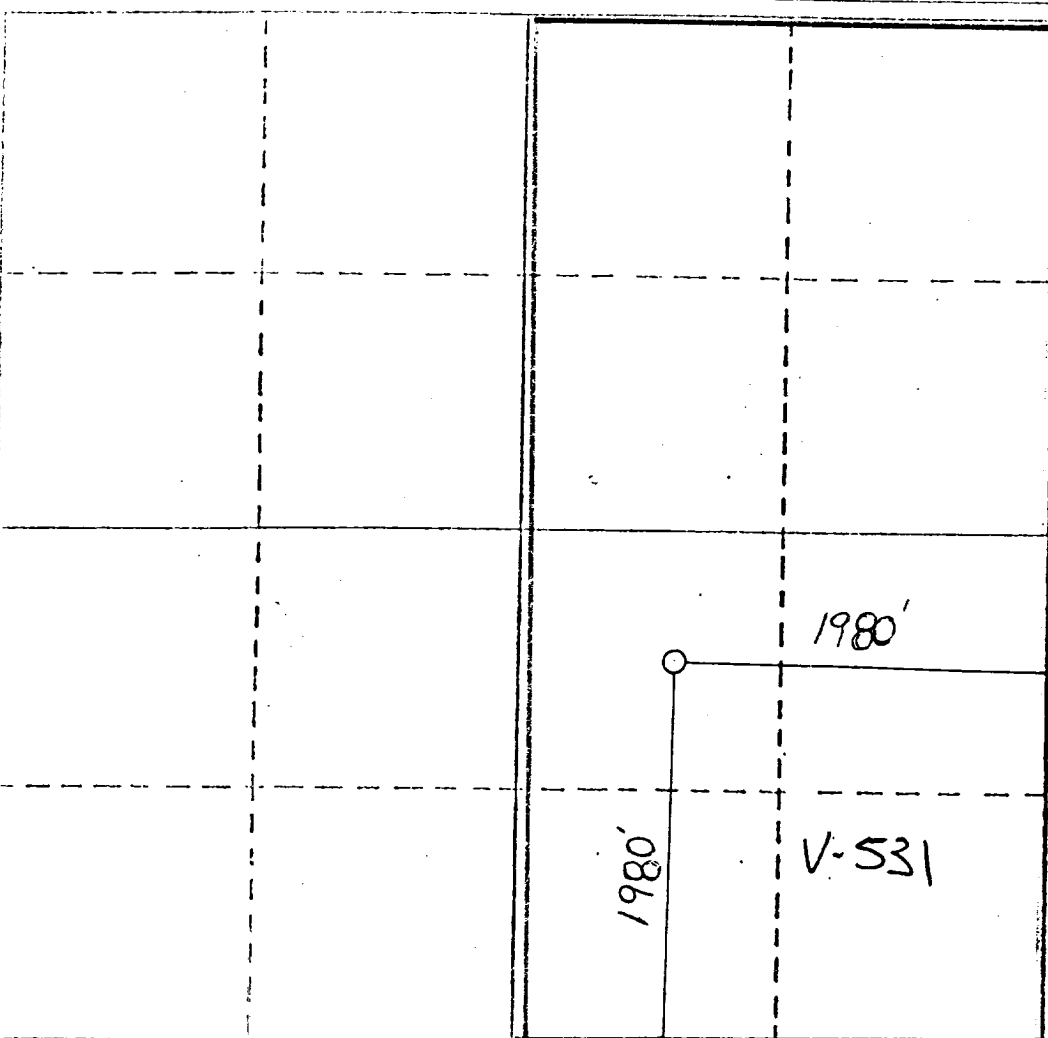
Operator <b>Yates Petroleum Corp</b>		Lease <b>SANDWELL 'AEG' ST</b>		Well No. <b>1</b>
Unit Letter <b>J</b>	Section <b>9</b>	Township <b>23 S</b>	Range <b>35 E</b>	County <b>LEA</b>
Actual Footage Location of Well: <b>1980'</b> feet from the <b>South</b> line and <b>1980</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>3493 GL</b>	Producing Formation <b>STRAWN</b> <del>DEVONIAN</del>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>320</b> Acres	

- 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 Division



CERTIFICATION

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

By Cy Cowan  
Name  
Cy Cowan  
Position  
Regulatory Agent  
Company  
Yates Petroleum Corp  
Date  
5-18-87

I hereby certify that the well location shown on this plot 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  
Refer to original PLAT  
Registered Professional Engineer  
and/or Land Surveyor

Certificate No.