

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
Budget Bureau no. 1004-0135

Expires: March 31, 1993

5. Lease Designation and serial No.
NMNM-106718

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

CHOLLA 1 FED #4

9. API Well No.

10. Field and Pool, or Exploratory Area
CEDAR LAKE MORROW EAST

11. County or Parish, State
EDDY COUNTY, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir
Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil
Well

☒ Gas
Well

☐ Other

2. Name of Operator

HARVEY E. YATES COMPANY

3. Address and Telephone No.

P.O. BOX 1933, ROSWELL, NM 88201.. 505-623-6601

4. Location of Well (Footage, Sec., T., M., or Survey Description)

2,260' FNL & 400' FEL SEC 1, T18S, R31E

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☒ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

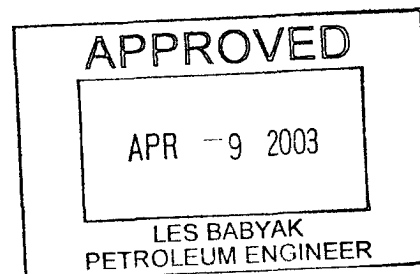
(Note: Report results of multiple completion on well
Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directional give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)*

TO CHANGE BOTTOM HOLE LOCATION:

FROM: 2,130' FNL & 990' FEL, SEC 1, T18S, R31E EDDY COUNTY, NM

TO: 2,130' FNL & 890' FEL, SEC 1, T18S, R31E EDDY COUNTY, NM



14. I hereby certify that the foregoing is true and correct

Signed

Bob Willson

Title DRILLING SUPERINTENDENT

Date 04/08/03

(This space for Federal or State office use)

Signed

Title

Date

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statement or representations as to any matter within its jurisdiction.

State of New Mexico

Energy, Minerals and Natural Resources Department

DISTRICT I

P.O. Box 1950, Hobbs, NM 88241-1950

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

DISTRICT II

P.O. Drawer DD, Artesia, NM 86211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 74605	Pool Name CEDAR LAKE MORROW EAST
Property Code	Property Name CHOLLA "1" FEDERAL	Well Number 4
OGRID No. 010179	Operator Name HARVEY E. YATES COMPANY	Elevation 3812'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	1	18-S	31-E		2260'	NORTH	400	EAST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	1	18S	31E		2130'	North	890'	East	Eddy
Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

LOT 4 40.11 AC	LOT 3 40.07 AC	LOT 2 40.05 AC	LOT 1 40.01 AC

OPERATOR CERTIFICATION

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

Bob Williams
Signature

BOB WILLIAMS
Printed Name

DRLG SUPT
Title

12-23-02
Date

SURVEYOR CERTIFICATION

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 belief.

DECEMBER 19, 2002

Date Surveyed AWB

Signature & Seal of Professional Surveyor

Certificate No. RONALD J. EDSON 3238
GARY EDSON 12641

EXHIBIT "G"

**Harvey E. Yates Company
Cholla 1 Fed #4
2,130' FNL & 890' FEL
Sec 1, T18S, R31E
Eddy County, NM**

Temporary Condition of Approval:

Drilling Fluids, Casing and Cementing Requirements for Most of Lea County:

Casing and Cementing

Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. In areas where the salt section (Salado) is present, surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.

As an alternative, surface casing may be set through the Santa Rosa Formation or other potable water bearing zones and circulate cement to surface. For wells requiring an intermediate casing string, such string shall be cemented to the ground surface. In the case where intermediate casing is not required the operator shall case and cement the production hole to the ground surface.

While drilling from the surface casing to the Rustler fm it is recommended that operators periodically sweep the hole with viscous low water loss pills to help build a filter cake across useable water zones in the redbeds.

Drilling Fluid

Fresh water or fresh water spud mud shall be used to drill to surface casing depth. If surface casing is set at a lesser depth than the top of the Rustler fm., fresh water spud mud may be used to drill down to the first salt in the Rustler Fm. after which brine or fresh water may be used.

Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into the redbeds.

Two to five percent diesel or crude oil may be used in the redbed section in order to control heaving shales and mudstones.

Caustics and Lime shall not be used in the red beds but may be added when the Rustler formation is reached. However, sodium carbonate maybe used for alkalinity or ph control while drilling the redbeds above the Rustler fm.

Additionally, questions of whether an additive may be used should be referred to the Roswell Field office.