

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

L CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

MAY 19 1981

O. C. D.

ARTESIA, OFFICE

30-005-60969

Form C-101
Revised 10-1-78

| | |
|------------------------|---|
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| | |
|--------------------------------|--|
| 5A. Indicate Type of Lease | STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. | LG-4333 |
| 7. Unit Agreement Name | |
| 8. Farm or Lease Name | Skinny "00" State |
| 9. Well No. | 1 |
| 10. Field and Pool, or Wildcat | Abo |
| 12. County | Chaves |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | | | |
|--|--|--|--|
| 1a. Type of Work | | DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> | |
| b. Type of Well | | OIL WELL <input checked="" type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> | |
| 2. Name of Operator Yates Petroleum Corporation | | | |
| 3. Address of Operator 207 South 4th Street, Artesia, NM 88210 | | | |
| 4. Location of Well UNIT LETTER <u>O 8</u> LOCATED <u>1980'</u> FEET FROM THE <u>East</u> LINE AND <u>660'</u> FEET FROM THE <u>South</u> LINE OF SEC. <u>2</u> TWP. <u>6S</u> RCT. <u>25E</u> NEQUA | | | |
| 19. Proposed Depth 4325' | | 19A. Formation Abo | |
| 21A. Rins & Status Plug. Bond Blanket | | 21B. Drilling Contractor L & M #1 | |
| 22. Approx. Date Work will start ASAP | | 23. Rotary or C.T. | |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|------------------|-----------------|---------------|-----------------|-----------|
| 17 1/2" | 13 3/8" | 48# J-55 | 450' | 300 sx. | circulate |
| 7 7/8" | 5 1/2" or 4 1/2" | 15.5# or 10.5# | TD | 450 sx. | |

We propose to drill and test the Abo and intermediate formations. Approximately 450' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation), 8 5/8" intermediate casing will be run to 1500' and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforate and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 1500', Brine KCL to 3200', KCL Drispak & Starch to TD.
MW 10-10.2, Vis. 34-39, WL 14-7.

BOP PROGRAM: BOP's will be installed on 13 3/8" casing and tested daily.

GAS NOT DEDICATED:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 11-22-81
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.

Signed [Signature] Title Geophysicist Date 5-19-81

(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE MAY 22 1981

CONDITIONS OF APPROVAL, IF ANY:

NSP must be approved
prior to producing
NSP 1253 6-10-81

MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-121
Effective 1-1-65

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

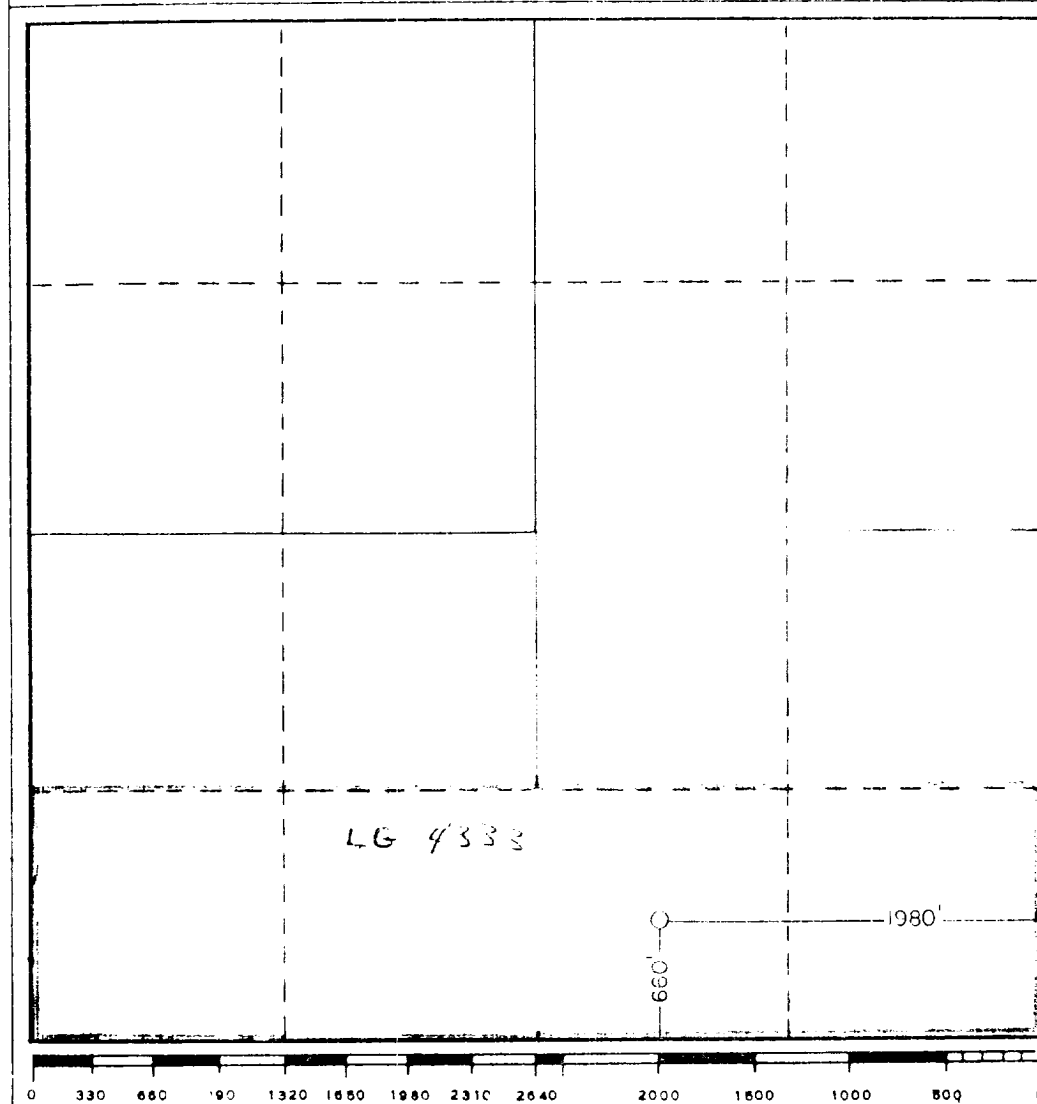
| | | | | | |
|---|-----------------------------------|----------------------------|---------------------------------|-------------------------|--|
| Operator YATES PETROLEUM CORPORATION | | | Lease Skinny 00 State | | Well No. 1 |
| Unit Letter 0 | Section 2 | Township 6 South | Range 25 East | County Chaves | |
| Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the East line | | | | | |
| Ground Level Elev. 3864.3 | Producing Formation ABO | | Pool Under ABO | | Dedicated Acreage: 160 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 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.

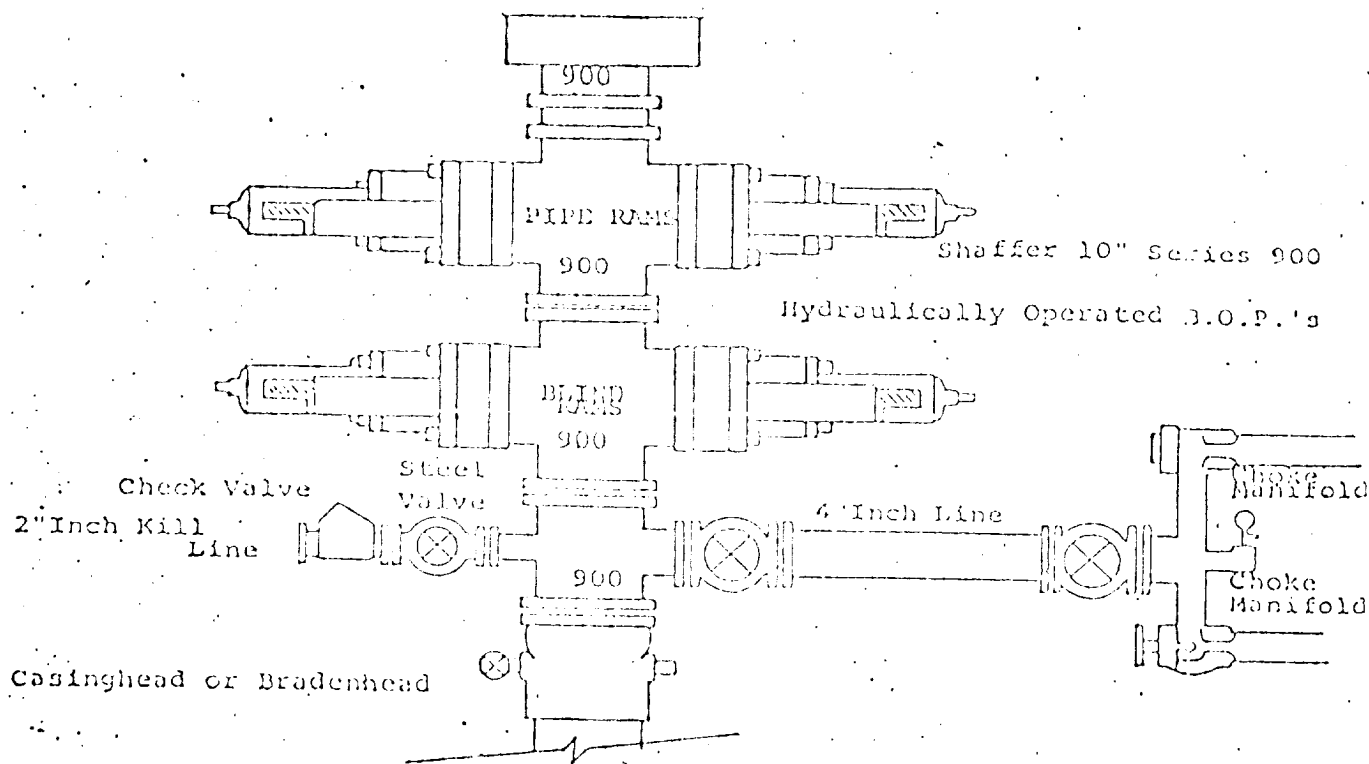
Gliserio Rodriguez
Name
GLISERIO RODRIGUEZ
Position
GLISERIO RODRIGUEZ
Company
YATES PETROLEUM CORP
Date
4-20-81

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
March 14, 1981

Registered Professional Engineer and/or Land Surveyor

[Signature]
Certificate No.
3640



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" 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. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.