

NO T.C.D. COPY

SUBMIT IN \_\_\_\_\_ LICATE\*  
(Other instructions on  
reverse side)30-005-61013  
Form approved.  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒OTHER ☐SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Yates Petroleum Corporation

## 3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, NM 88210

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

660' FSL &amp; 660' FEL

At proposed prod. zone

same

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

34.5 miles north and 13½ miles east of Roswell, NM

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

660'

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

3200'

## 16. NO. OF ACRES IN LEASE

640

## 19. PROPOSED DEPTH

± 4400'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3799.5

## 22. APPROX. DATE WORK WILL START\*

ASAP

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# J-55	Approx. 350'	350 sx. circulated
12 1/4"	8 5/8"	24# J-55	Approx. 1500'	800 sx. circulated
8 3/4 or 7 7/8	5½" or 4½"	15.5 or 10.5#	TD	250 sx. circulated

*abo*

We propose to drill and test the ~~granite wash~~ and intermediate formation. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and caving. Casing will be set 100' below the water zone. If commercial, 5½" or 4½" production casing will be run and cemented with an adequate cover, perforate and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 1500', Brine to 3550', Flosal-driskak, Starch to TD  
MW 8.4 - 9.8, Vis. 33-40, WL 20-10.

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

GAS NOT DEDICATED:

*NSP - 12 GA*

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. 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

(This space for Federal or State use only)

TITLE Geographer

DATE 6-15-81

PERMIT NO.

APPROVED  
GEORGE H. STEWART

APPROVAL DATE

81

APPROVED BY

CONDITIONS OF APPROVAL

JUN 23 1981

TITLE

DATE

FOR  
JAMES A. GILLHAM  
DISTRICT SUPERVISOR

\*See Instructions On Reverse Side

**MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-63

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

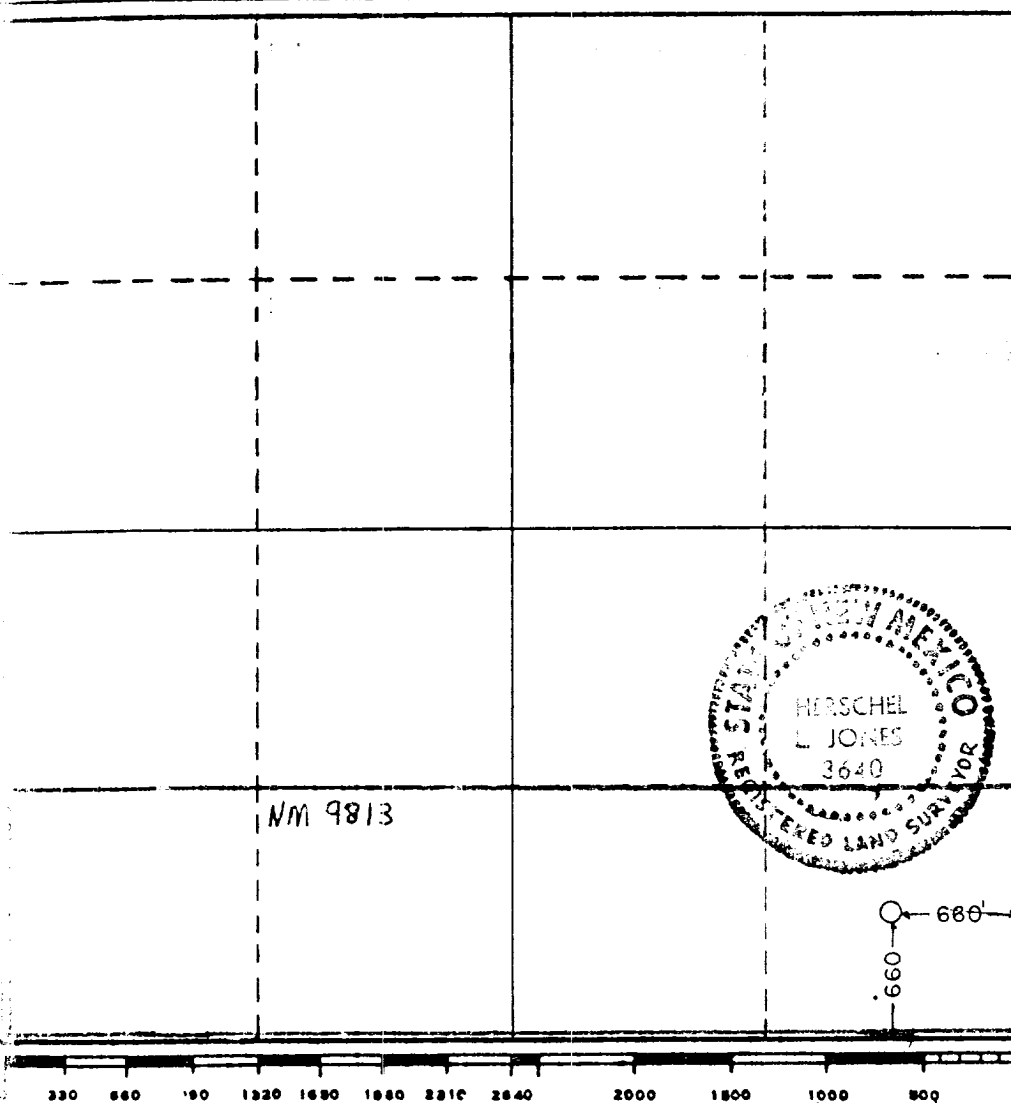
Operator <b>YATES PETROLEUM CORP.</b>			Lease <b>South Alkali LK Federal</b>		Well No. <b>2</b>
Unit Letter <b>P</b>	Section <b>1</b>	Township <b>6 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> <span>660 feet from the</span> <span>South line and</span> <span>660 feet from the</span> <span>East line</span> </div>					
Ground Level Elev. <b>3799.5</b>	Producing Formation <b>ABO</b>	Pool <b>UNDES. ABO</b>	Dedicated Acreage: <b>160</b> 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.

Name \_\_\_\_\_

**GLISERIO RODRIGUEZ**

Position \_\_\_\_\_

**GEODESIC ENGINEER**

Company \_\_\_\_\_

**YATES PETROLEUM CORP.**

Date \_\_\_\_\_

**6-15-81**

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 \_\_\_\_\_

**June 9, 1981**

Registered Professional Engineer and/or Land Surveyor

Certificate No. \_\_\_\_\_

**3640**

Yates Petroleum Corporation  
South Alkali "LK" Federal #2  
660' FSL and 660' FEL  
Section 2-T6s-R25e  
Chaves County, New Mexico

In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is sandy alluvium.
2. The estimate tops of geologic markers are as follows:

San Andres	575'	Wolfcamp	4345'
Glorieta	1625'	TD	4400'
Abo	3677'		
3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water: Approximately 250' - 300'

Oil or Gas: Abo - 3700'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples:	Surface casing to T.D.
DST's:	As Warranted
Logging:	Surface casing to T.D.
Coring:	CNL-FDC T.D. to casing with GR-CNL on to surface and DLL from T.D. to casing with $R_xO$ .
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

Yates Petroleum Corporation  
South Alkali "LK" Federal #2  
Section 1-T6s-R25e  
660' FSL & 660' FEL  
(Exploratory Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location, the construction activities and operations plan, the surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the drilling of this well.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the roads in the vicinity of the proposed location. The proposed wellsite is located approximately 30 miles NNE of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed north from Roswell on Highway 285 for a distance of approximately 34.5 miles to the north road.
2. Turn east and travel 7.5 miles.
3. Take the left fork in the road. Going in a northeasterly direction, travel approximately 2.5 miles to the Mapco Pipeline Road.
4. Turn southeast on the road and go approximately 3.3 miles turn east and go to the South Alkali "LK" #1 location. Proceed east approximately .8 of a mile. Turn north and go approximately .4 of a mile then turn back to the west. Go past the road that goes to Mesa's location, proceed to the west approximately 1500'. Turn north to the location.

2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 1200' in length from point of origin to the southeast edge of the drilling pad. The road will lie in a south to north direction.
- B. The new road will be 12 feet in width (driving surface).
- C. The new road will be covered with the necessary depth of caliche or other suitable material, if the road does not hold up with water and blading. The surface will be crowned, with drainage on one side. No turnouts will be built.
- D. The new road has been flagged and the route of the road is visible.

3. LOCATION OF EXISTING WELL.

- A. There is drilling activity within a one-mile radius of the wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are production facilities on this least at the present time.
- B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY.

- A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from a water hauling company.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. Any material required for construction of the drilling pad and the new access road will be obtained from the nearest existing pit if possible, or else the location will be scraped out.

7. METHODS OF HANDLING WASTE DISPOSAL.

- A. Drill cuttings will be disposed of in a reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
- C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted to the USGS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained of prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface is fairly flat.
- C. The reserve pits will be plastic lined.
- D. A 400' X 400' area and road has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and leveled.
- C. If the proposed well is non-productive, all rehabilitation requirements of the BLM and USGS will be complied with and will be as expeditiously as possible. All pits will be filled and leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is fairly flat. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover consists of tobosa, terpetine, pepper weed, mesquite, and miscellaneous desert growth. No wildlife was observed, but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. The Pecos River is approximately three miles east.
- D. There are no inhabited dwellings or windmills within a mile of the vicinity of the proposed well.
- E. Surface Ownership: The wellsite is on federal surface and minerals.
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representative responsible for assuring compliance with the approved surface use plan is:

Gliserio "Rod" Rodriguez or Cy Cowan  
Yates Petroleum Corporation  
207 South 4th Street  
Artesia, New Mexico 88210  
(505) 746-3558

13. CERTIFICATION.

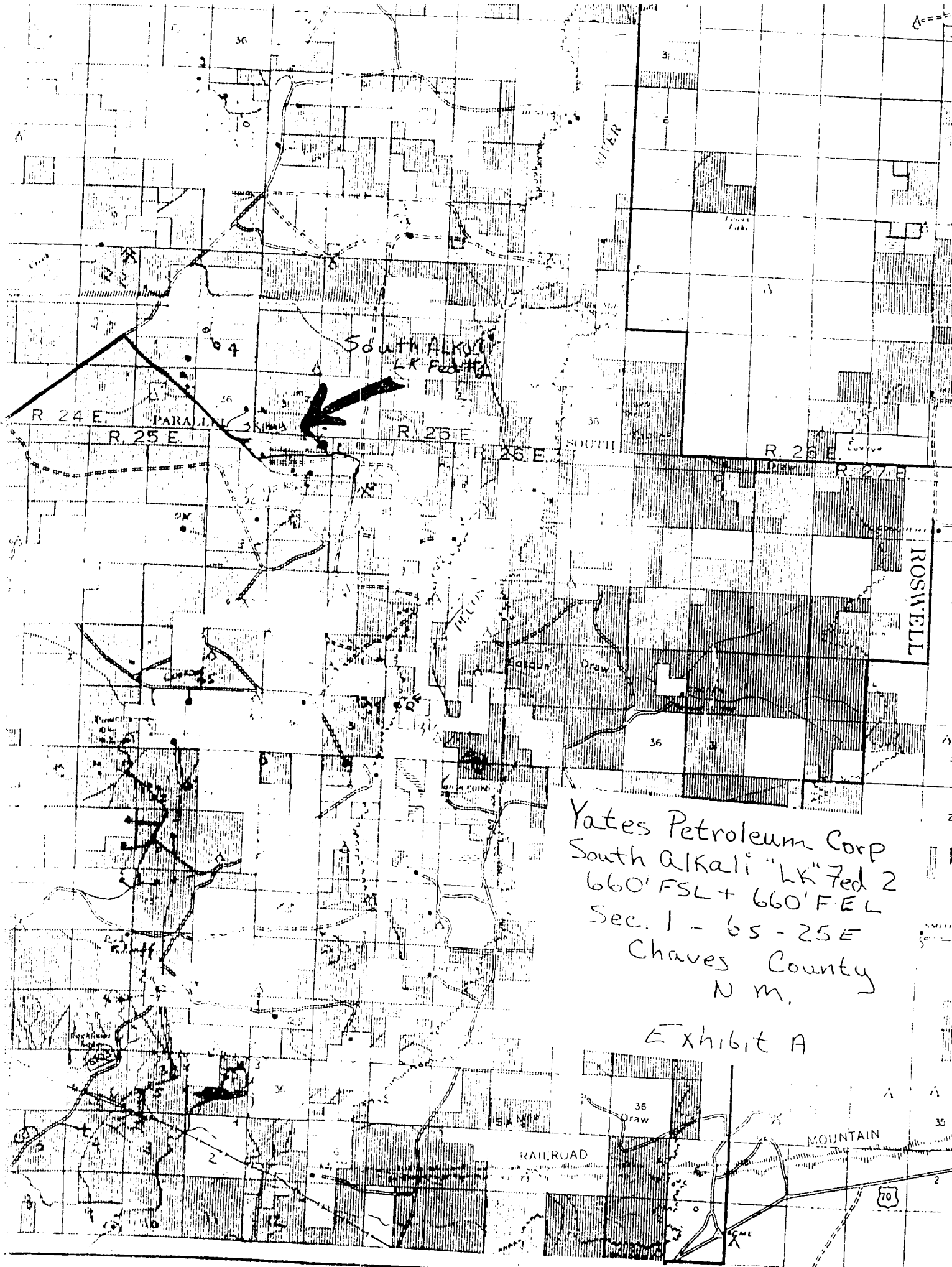
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

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Date

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Gliserio "Rod" Rodriguez, Geographer

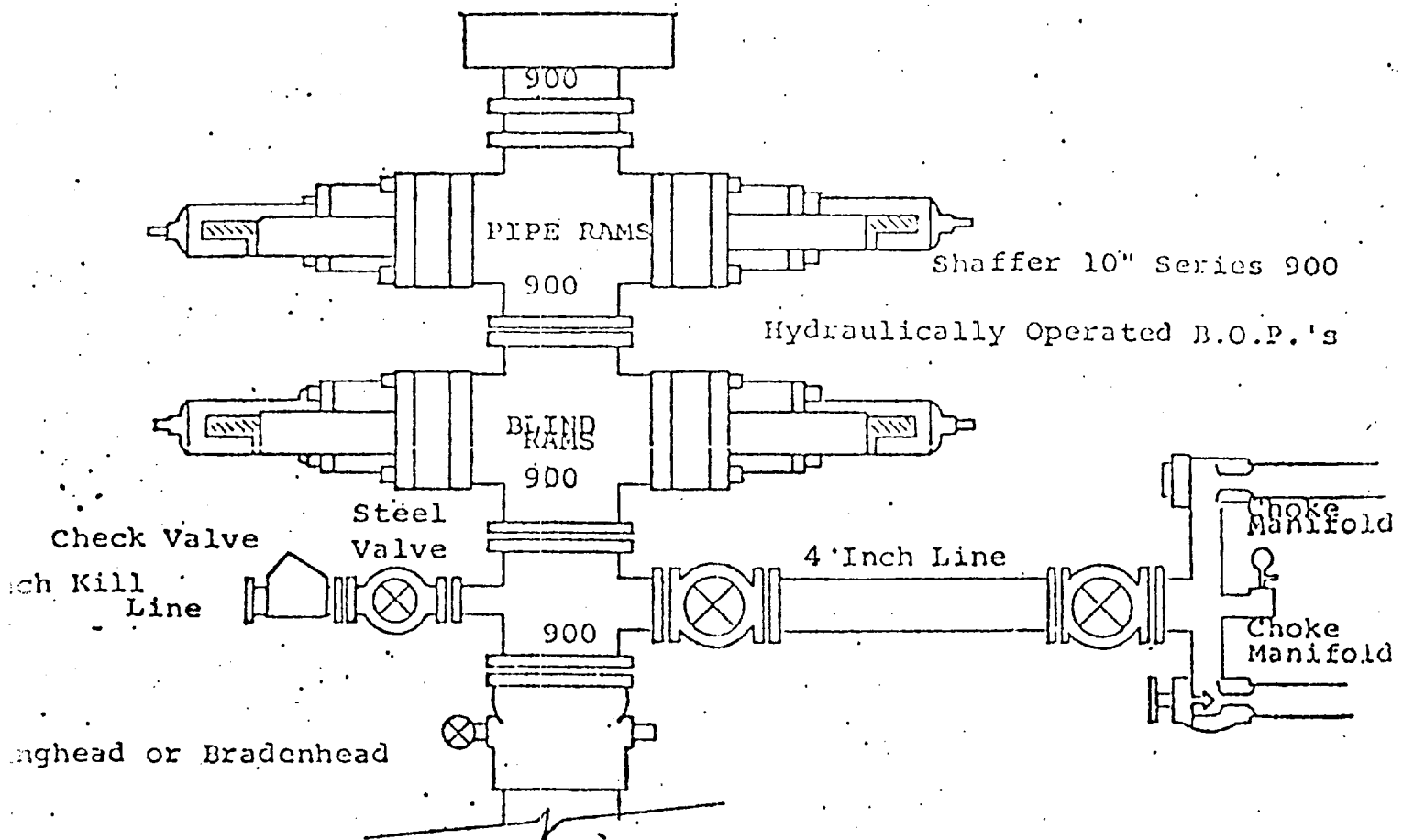


Yates Petroleum Corp  
South Alkali "LK" Fed 2  
660' FSL + 660' FEL  
Sec. 1 - 65 - 25E  
Chaves County  
N.M.

Exhibit A







FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
- Choke outlet to be a minimum of 4" diameter.
- Kill line to be of all steel construction of 2" minimum diameter.
- All connections from operating manifolds to preventers to be all steel.
- Hole or tube a minimum of one inch in diameter.
- The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
- All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
- Inside blowout preventer to be available on rig floor.
- Operating controls located a safe distance from the rig floor.
- Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
- B. P. float must be installed and used below zone of first gas intrusion.

YATES PETROLEUM CORPORATION





ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR  
LARRY KEHOE  
SECRETARY

June 10, 1981

RECEIVED

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

JUN 15 1981

Yates Petroleum Corporation  
207 South Fourth Street  
Artesia, New Mexico 88210

O. C. D.  
ARTESIA OFFICE

Attention: Mr. Gliserio Rodriquez

Administrative Order NSP-1254

Gentlemen:

Reference is made to your application for a 160-acre non-standard gas proration unit consisting of the following acreage:

CHAVES COUNTY, NEW MEXICO  
TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM  
Section 1: All

It is my understanding that this unit is to be dedicated to your South Alkali "LK" Federal Well No. 2 located 660 feet from the South line and 660 feet from the East line of said Section 1.

By authority granted me under the provisions of Rule 104 D II, the above non-standard proration unit is hereby approved.

Sincerely,

JOE D. RAMEY,  
Director

JDR/RLS/dr

cc: Oil Conservation Division - Artesia  
Oil & Gas Engineering Committee - Hobbs  
U. S. Geological Survey - Artesia