

SANTA FE, NEW MEXICO 87501

SEP 29 1981

O. C. D.

ARTESIA OFFICE

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APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work
Type of Well
C/O WELL ☐ GAS WELL ☒ OTHER ☐
Name of Operator
Yates Petroleum Corporation
Address of Operator
207 South 4th Street, Artesia, NM 88210
Location of Well
UNIT LETTER #P LOCATED 660' FEET FROM THE South LINE
660' FEET FROM THE East LINE OF SEC. 32 TWP. 5s RGE. 25e NMPM

5A. Indicate Type of Lease
STATE ☒ FEE ☐
5. State Oil & Gas Lease No.
L-6274
7. Unit Agreement Name
8. Form or Lease Name
Dee State
9. Well No.
2
10. Field and Pool, or Wildcat
Undes. Abo
12. County
Chaves

19. Proposed Depth
Approx. 4500'
19A. Formation
Abo
20. Rotary or C.T.
Rotary
Elevations (Show whether DT, RT, etc.)
3763 GL
21A. Kind & Status Plug. Bond
Blanket
21B. Drilling Contractor
L & M #1
22. Approx. Date Work will start
ASAP

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	10 3/4"	40.5# J-55	Approx. 925'	800 sx.	circulated
7 7/8" or 6 1/4"	4 1/2" or 5 1/2"	10.5# or 15.5#	TD	350 x.	

We propose to drill and test the Abo and intermediate formations. Approximately 925 of surface casing will be set and cement circulated to shut off gravel and casing. If needed (lost circulation) 7 5/8" intermediate casing will be run to 1625' and cemented with enough cement calculated to tie back into the surface casing. Temperature survey will be run to determine cement top. 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, Brine to 3500', Brine & KCl water to TD, MW 10-10.2.

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

GAS NOT DEDICATED:

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 4-1-82
UNLESS DRILLING UNDERWAY

BOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODU-
ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

Sub-certify that the information above is true and complete to the best of my knowledge and belief.

By Cy Conner Title Regulatory Coordinator Date 9-29-81

(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT II DATE OCT 1 1981

DITIONS OF APPROVAL, IF ANY:

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

Form C-102
Supersedes C-128
Effective 1-1-65

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

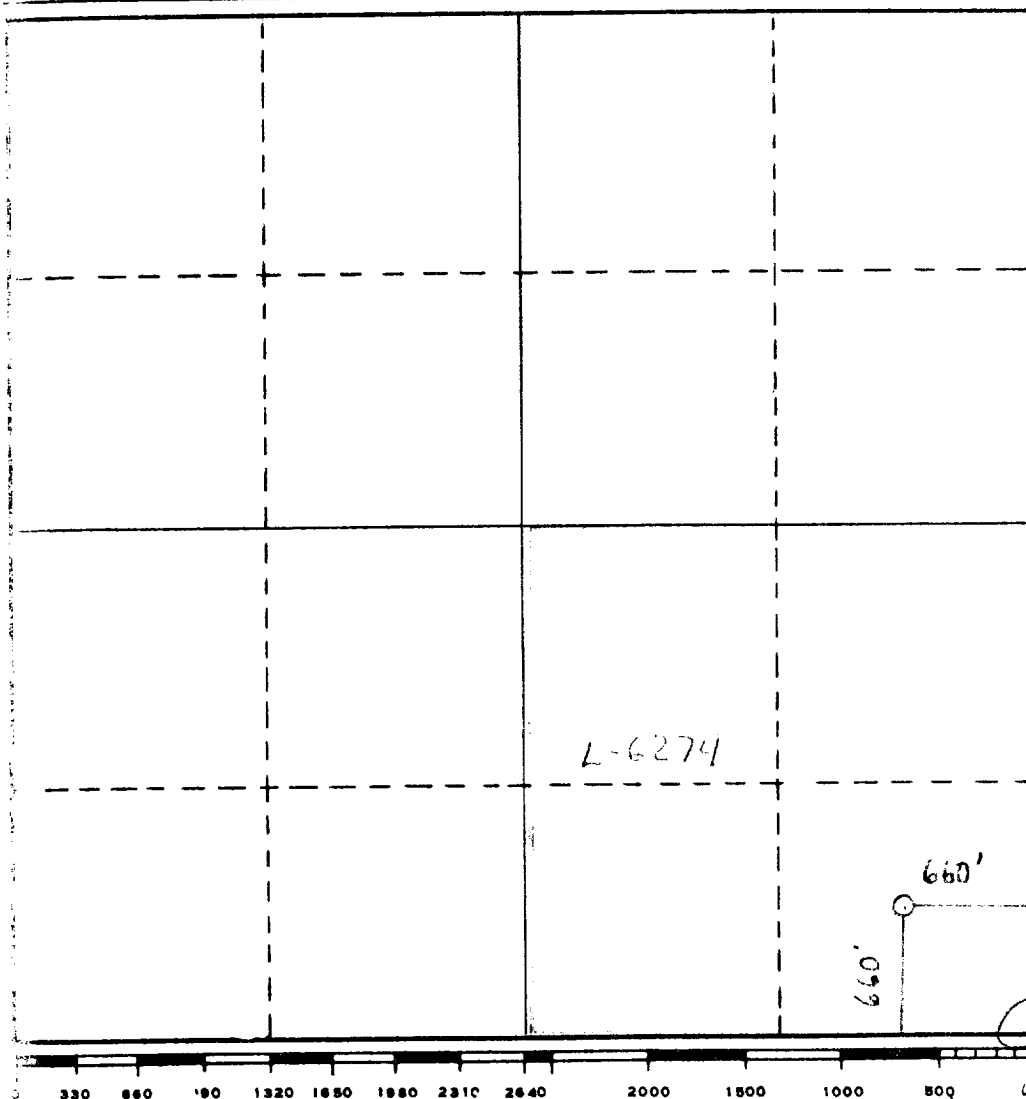
Operator YATES PETROLEUM CORPORATION			Lease "00"		Well No. 2
Unit Letter P	Section 32	Township 5 South	Range 25 East	County Chaves	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3763.0	Producing Formation Abo		Pool Undes. Abo		Dedicated 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.

Name

Position

Company

Date

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

Registered Professional Engineer and/or Land Surveyor

Certificate No.

3640

September 2, 1981

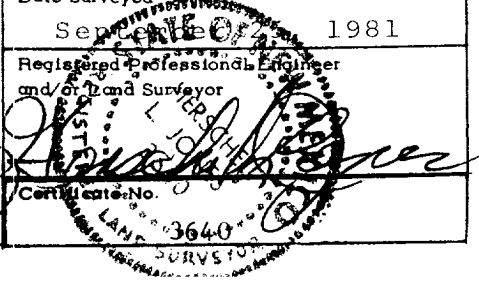
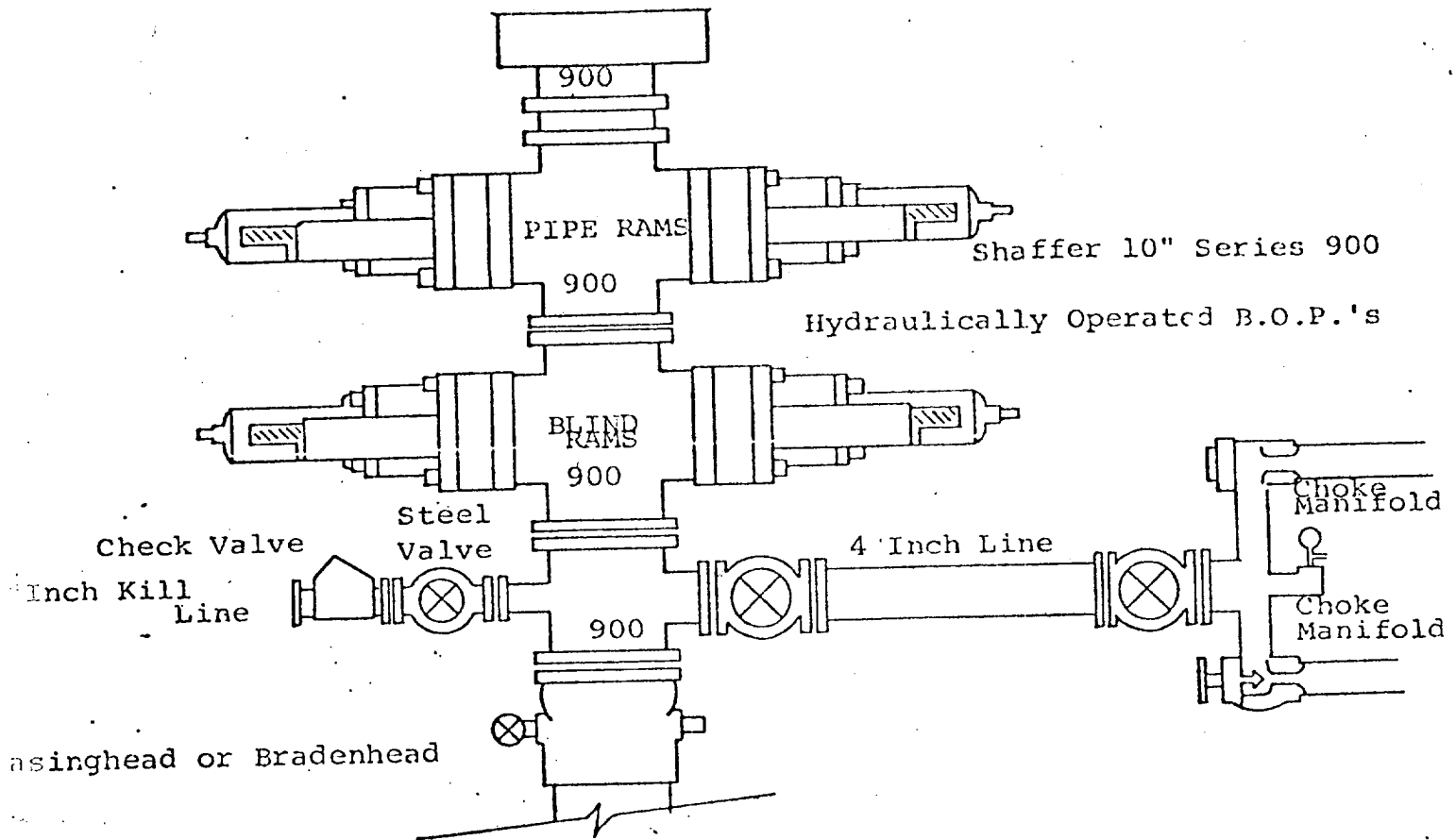


EXHIBIT B



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.
5. hole or tube a minimum of one inch in diameter.
6. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
7. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
8. Inside blowout preventer to be available on rig floor.
9. Operating controls located a safe distance from the rig floor.
10. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
11. D. P. float must be installed and used below zone of first gas intrusion.