UNITED STATES NMOCD. COPY DEPARTMET OF THE INTERIOR (May Ivos) 20-005-61111 5. LEASE DESIGNATION AND SERIAL NO. USA NM 10893 GEOLOGICAL SURVEY 6. IF INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. UNIT AGREEMENT NAME PLUG BACK 1a. TYPE OF WORK DEEPEN DRILL 🖾 8. FARM OR LEASE NAME b. TYPE OF WELL WELL X WELL OTHER Godfrey MP Federal 2. NAME OF OPERATOR 9. WELL NO. Yates Petroleum Corporation 14 1981 6 3. ADDRESS OF OPERATOR 10. FIELD AND POOL, OR WILDCAT 88210 207 South 4th Street, Artesia, NM the will 4. LOCATION OF WELL (Report location clearly and in accordance with any State require OF LA GAS S.S. GEOLOGICAL PROPER ROSWELL, REWENEY 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 1980' FSL & 660' FEL Sec. 10-7s-25e At proposed prod. zone 12. COUNTY OR PARISH | 13. STATE 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR FOST OFFICE* OCT 27 1981 Chaves Approximately 29 miles NNE of Roswell 16. NO. OF ACRES IN CASE. D. 7. NO. OF ACRES ASSIGNED TO THIS WELL. 15. DISTANCE FROM PROPOSED® LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if any) ARTESIA, OFFICE 1080 660**¹** 20. ROTARY OR CABLE TOOLS 19 PROPOSED DEPTH 18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COM OR APPLIED FOR, ON THIS LEASE, FT. Rotary 42501 22. APPROX, DATE WORK WILL START* 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3800.2 PROPOSED CASING AND CEMENTING PROGRAM 23. QUANTITY OF CEMENT SETTING DEPTH WEIGHT PER FOOT SIZE OF CASING SIZE OF HOLE 800 sx. circulated Approx. 875 J-55 40.5# 10_3/4" 15" 350 sx 10.5# or 15.5# 4½" or 5½" 7 7/8" or 64 We propose to drill and test the Abo and intermediate formations. Approximately 875' 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 1500' 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 cvoer, perforate, and stimulate as needed for production. FW gel and LCM to 850', Brine to 3200' Brine & KCL water. MW 10-10.2. MUD PROGRAM: BOP's will be installed on 8 5/8" casing and tested daily. BOP PROGRAM: GAS NOT DEDICATED: 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. Regulatory Manager (This space for Federal or State office use) PERMIT NO. .

CONDITIONS OF AP (STEWAR') GEORGE H. STEWAR'I OFFICE MAL

APPROVED BY

NF MEXICO OIL CONSERVATION COMMISS IN WELL LOCATION AND ACREAGE DEDICATION FLAT

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

^		i i	_ease		Weil No.	
YATES PETROLEUM CORPORATION Godfrey MP Federal 6						
Unit Letter	Section.	Township	Range	County		
I	10	7 South	25 East	<u></u>	Chaves	
ctual Footage Location of Well:						
1980	feet from the	South line and	660 <u>fe</u> Pool	eet from the	East line Dedicated Acreage:	
3800.2	Producing For		,		/ (C Acres	
	1//50					
 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). 						
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	
The control of the co	 		 		I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<u> </u>	+			N	Gliserio Rodriguez	
	! ! ,			P	osition Regulatory Manager	
	 		} 		Yates Petroleum Corp.	
8 9 5					10-9-81	
		No. 10	× (3 C	660	I hernby 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.	
	 			F	ade Survey d 18 10-1-181. logistered Professional Engineer and/or Lond Surveyor V	
330 660	190 1920 1650 19	80 2310 2640 2000	1800 1000	800 0	Still called a down of the still called a still cal	

Yates Petroleum Corporation Godfrey "MP" Federal #6 1980' FSL & 660' FEL Section 10-T7s-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 residuum.
- 2. The estimate tops of geologic markers are as follows:

San Andres: 495'
Glorieta: 1564'
Fullerton: 2988'
Abo: 3648'
TD: 4250'

3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water: Approximately 250'

Gas: 3670'

- 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: Intermediate casing to T.D.

Coring: CNL-FDC T.D. to casing with GR-CNL on to surface and DLL from T.D.

to casing.

- 9. No abnormal pressures to temperatures are anticipated.
- 10. Anticipated starting date: As soon as possible after approval.

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

Yates Petroleum Corporation Godfrey "MP" Federal #6 Section 10-T7s-R25e 1980' FSL & 660' FEL (Developmental Well)

OIL & GAS U.S. GEOLOGICAL SURVEY ROSWELL, NEW MEXICO

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 of the proposed well, the proposed construction activities and operations plan, the magnitude of 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 operation.

1. EXISTING ROADS.

Exhibit A is a portion of a BLM map showing the well and 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 22 miles.
- 2. Turn east for approximately 10 miles and continue NE for 1/3 of a mile to the Godfrey "MP" Federal #3 location. Continue NE for approximately .4 of a mile. At the intersection cut back to the west for approximately 1300'. The new road will start here. (Alternate routes are visible on map)
- 2. PLANNED ACCESS ROAD.
 - A. The new road will be approximately 1500' in length entering the location from the southwest corner.
 - B. The road will be 12 feet in width (driving surface).
 - C. The road will be bladed with drainage on one side.
 - D. The route of the road is visible and flagged.
- 3. LOCATION OF EXISTING WELL.
 - A. There is drilling activity within a one-mile radius of the wellsite.
- 4. LOCATION OF EXISITNG 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 commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.
- 6. SOURCE OF CONSTRUCTION MATERIALS.
 - A. There is no existing pit of construction material in the immediate vicinity so none will be used. In case of rain, we will haul caliche from a state pit off Highway 285.
- 7. METHODS OF HANDLING WASTE DISPOSAL.
 - A. Drill cuttings will be disposed of in the 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 sotred 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 FACILITIES.
 - 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 almost flat no cut and fill will required.
 - C. The reserve pits will be plastic lined.
 - D. A 400' X 400' area 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 aesthetically pleasing a condition as possible.

- 10. B. Unquarded pits, if any, containing fluids will be fenced until they have dried and leveled.
 - C. If the proposed will is non-productive, all rehabilitation and/or vegetation requirements of the USGS and the BLM will be complied with and will be accomplished as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Topography: The land surface in the vicinity of the wellsite is all flat. The immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover on wellsite consists of 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 4.5 miles. Five Mile Draw is approximately one mile north of drillsite.
- D. There are no inhabited dwellings in the vicinity of the proposed well.
- E. Surface Ownership: The wellsite is on federal minerales and surface.
- F. There is no evidence of any archaeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

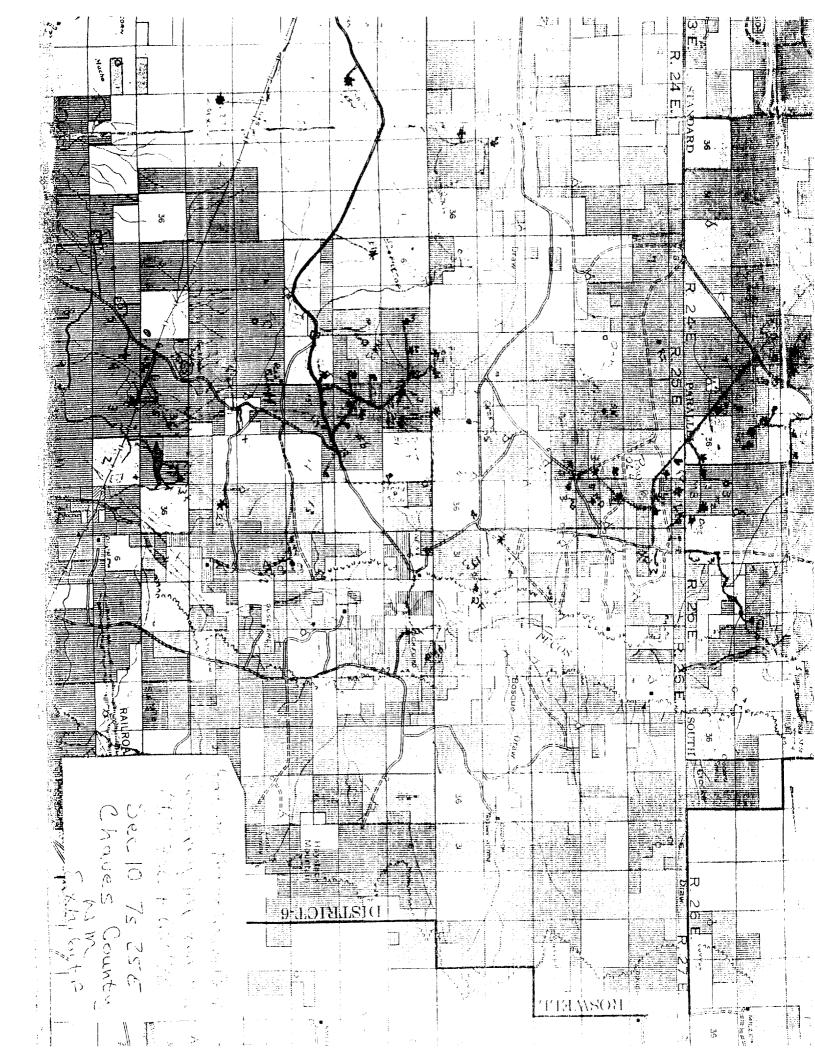
A. The field representative responsible for assuring compliance with the approved surface use plan is:

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 propose 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.

Date Gliserio Rodriguez, Regulatory Manager



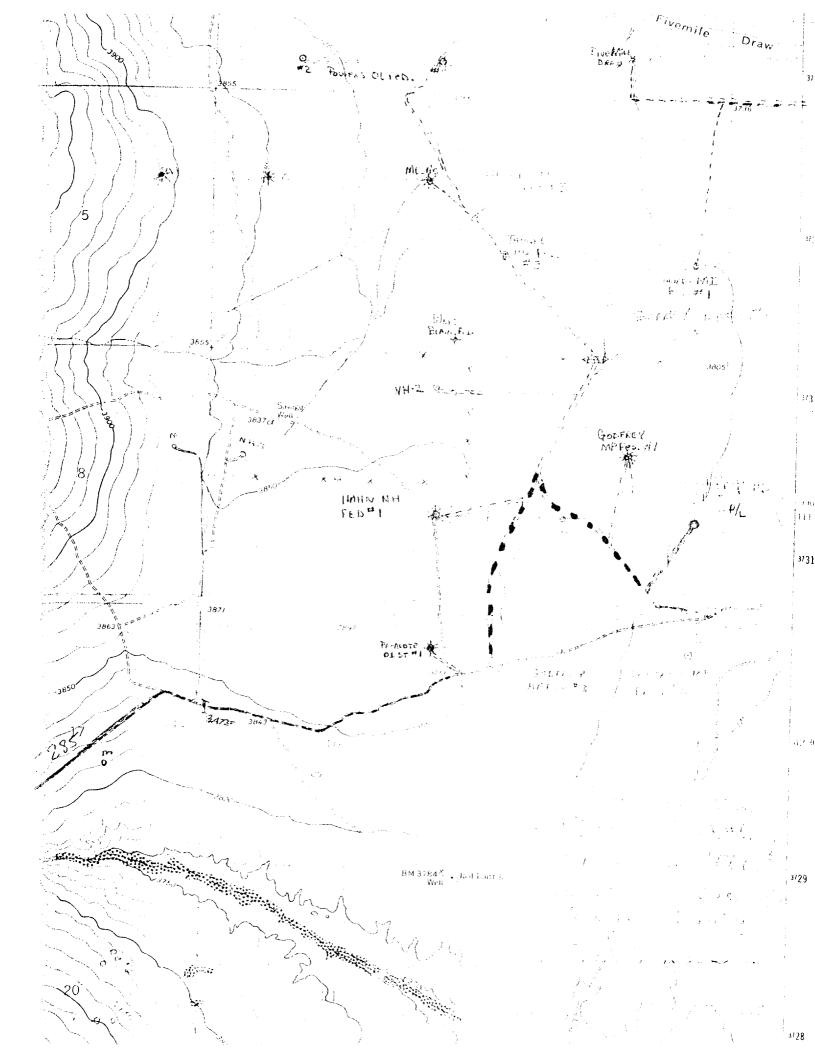
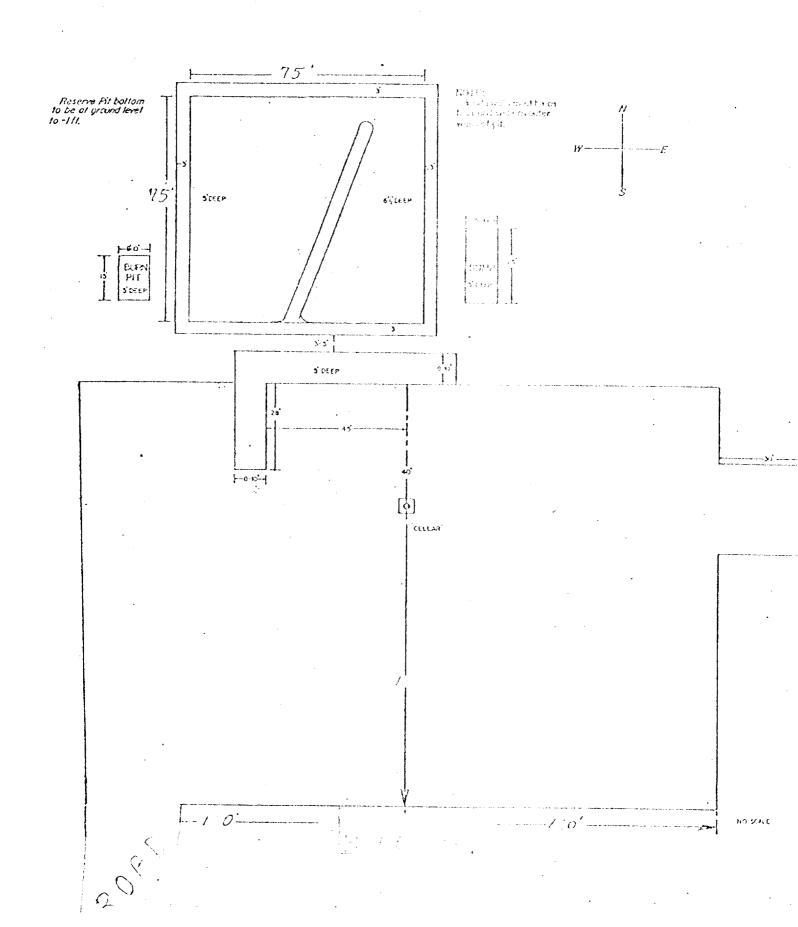
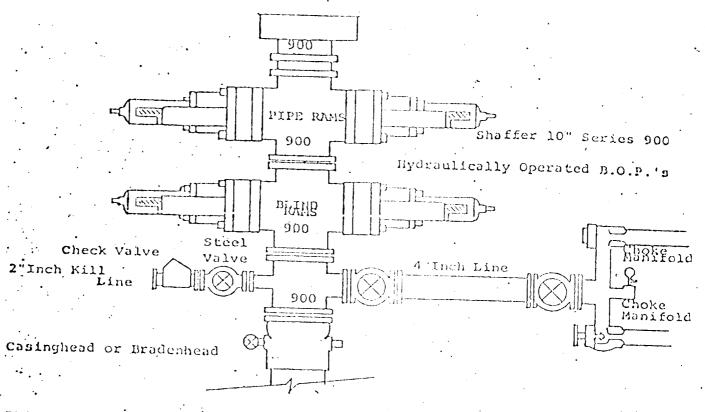


EXHIBIT C

VATES PETROLEUM CORPORATION





TURE 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.

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- 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.
- 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.
- 8. 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.
- 10. D. P. float must be installed and used below zone of first gas intrusion.