

NOV 24 1981

O. C. D.

ARTESIA, OFFICE

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEDERAL <input type="checkbox"/>	
2. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		6. State Oil & Gas Lease No. LG 2462	
3. Name of Operator Yates Petroleum Corporation		7. Unit Agreement Name	
4. Address of Operator 207 South 4th Street Artesia 774m 88210		8. Farm or Lease Name Conejo RH State	
5. Location of Well UNIT LETTER II LOCATED 1980 FEET FROM THE North LINE 660 FEET FROM THE East LINE OF SEC. 2 TWP. 7S RGE. 25E NMPM		9. Well No. 3	
10. Field and Pool, or Wildcat Abo		11. County Chaves	
12. Proposed Depth Approx. 4225'		13. Formation Abo	
14. Rotary or C.T. Rotary		15. Date Work will start ASAP	
16. Elevation (Show whether DT, RT, etc.) 3747.1 GL		17. Kind & Status Plug Bond Blanket	
18. Drilling Contractor LaRue #1		19. 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"	48# J-35	920	900 sx.	circulate
6 3/4"	5 1/2" or 4 1/2"	15.5# or 10.5#	TD	350 sx.	

We propose to drill and test the Abo and intermediate formations. Approximately 930' of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation), 7 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 and Starch to T.D.
MW 10-10.2, Vix. 24-30, WH 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 5-25-82
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW 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] Regulatory Manager Date 11-23-81
(This space for State Use)

APPROVED BY [Signature] TITLE SUPERVISOR, DISTRICT II DATE NOV 25 1981

CONDITIONS OF APPROVAL, IF ANY:

Minimum WOC time 18 hrs.

Notify N.M.O.C.C. in sufficient time to witness cementing

the 10 3/4" casing.

Posted ID-1
API + NL Book
11-25-81

N MEXICO OIL CONSERVATION COMMISS.
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-101
Effective 1-1-61

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

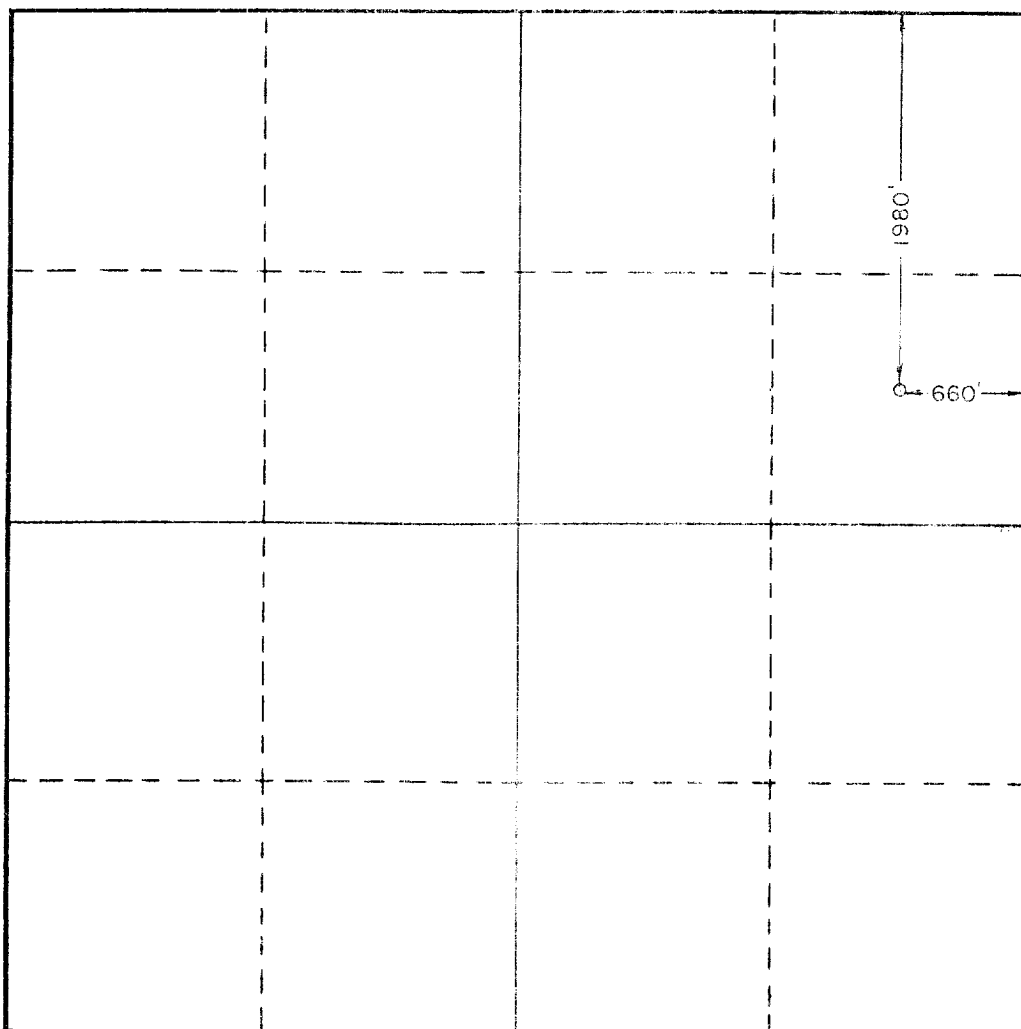
Operator YATLS PETROLEUM CORPORATION			Lease Conejo Hill State		Well No. 3
Unit Letter H	Section 2	Township 7 South	Range 25 East	County Chaves	
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the East line					
Ground Level Elev. 3747.1	Producing Formation	Pool	Dedicated Acreage: 11.0 ne/4 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.

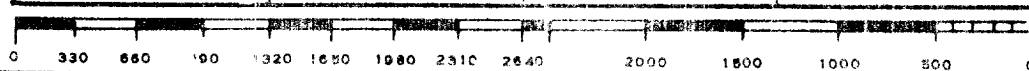
Date Surveyed

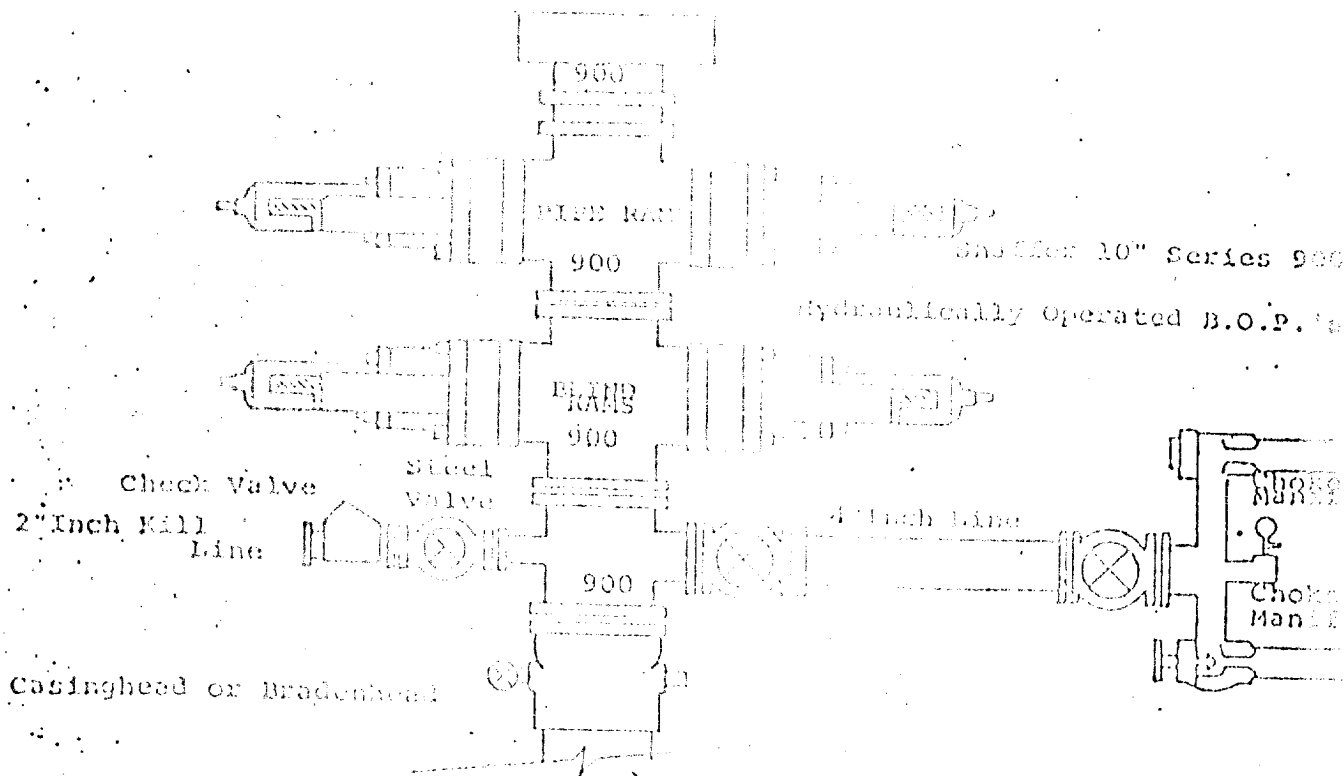
November 13, 1981

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

3640





THE FOLLOWING CONSTITUTE MINIMUM DESIGN REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control installed prior to drilling out from well casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction or 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 125% 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 hole. Intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. Float must be installed and used before zone of first gas intrusion.