

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 ☐RECEIVED ☐

## 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' FNL &amp; 660' FWL

At proposed prod. zone

Same

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

30 miles NNE 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.

## 16. NO. OF ACRES IN LEASE

960

## 19. PROPOSED DEPTH

4400'

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

3801.4

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
15"	10 3/4"	40.5# J-55	Approx. 880'	800 sx circulated
7 7/8" or 6 1/2"	4 1/2" or 5 1/2"	10.5# or 15.5#	TD	350 sx

We propose to drill and test the Abo and intermediate formations. Approximately 880' 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 cover, perforate, and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 1500; Brine to 3200'; Drispak, Starch & Flosal to TD.

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

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.

24.

SIGNED

TITLE Regulatory Manager

DATE

12-2-81

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED

DEC 14 1981

JAMES A. GILLHAM  
DISTRICT SUPERVISOROIL & GAS  
GEOLOGICAL SURVEY  
ROSWELL, NM 88203RECEIVED  
OCT 06 1981

**NEW MEXICO OIL CONSERVATION COMMISSION**  
**WE. LOCATION AND ACREAGE DEDICATION LAT**

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

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

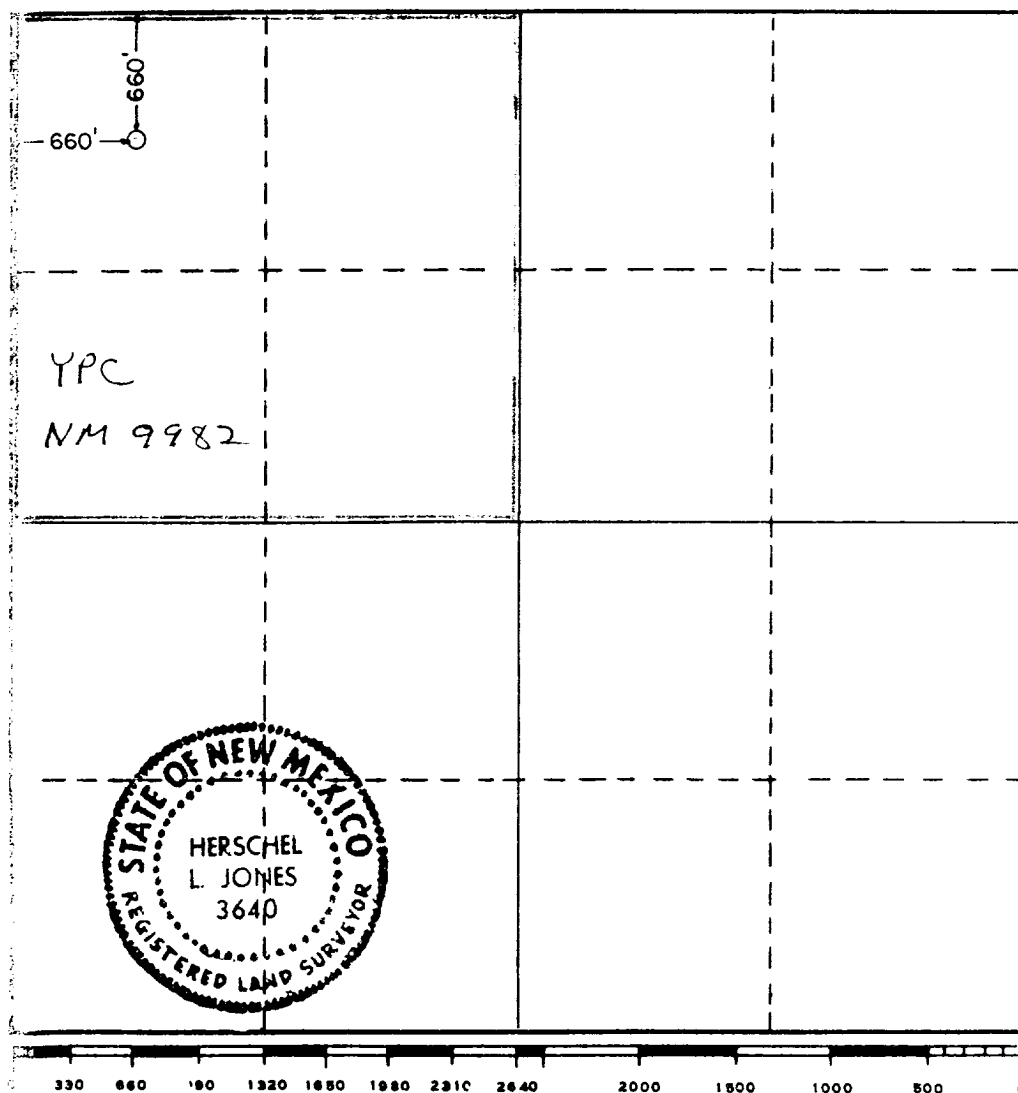
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Teckla "MD" Federal</b>		Well No. <b>3</b>
Unit Letter <b>D</b>	Section <b>24</b>	Township <b>6 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3801.4</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 hatchure 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 Rodriquez*  
 Name

Gliserio Rodriquez  
 Position

Regulatory Manager  
 Company

Yates Petroleum Corp.  
 Date

7-20-81

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  
 July 14, 1981

Registered Professional Engineer  
 and/or Land Surveyor

*Herschel L. Jones*  
 Certificate No.

3640

Yates Petroleum Corporation  
Teckla "MD" Federal #3  
660' FNL & 660' FWL  
Section 24, 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 area as follows:

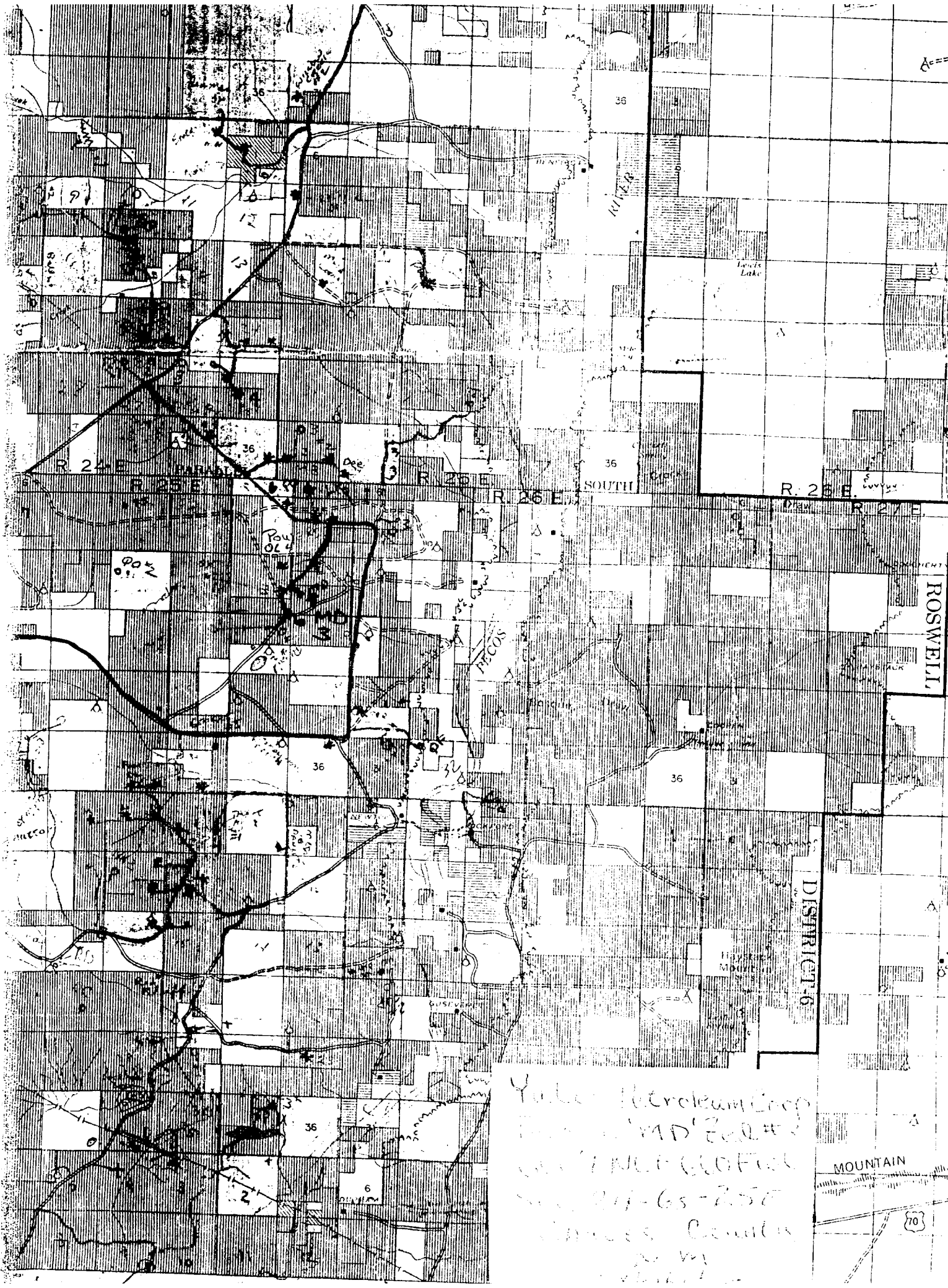
San Andres	574
Glorieta	1575
Abo	3665
Wolfcamp	4300
TD	4400

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

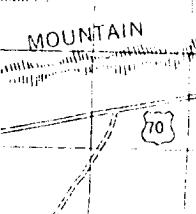
Water: Approximately 260' - 330'

Oil or Gas: Abo 3700' - 4275'

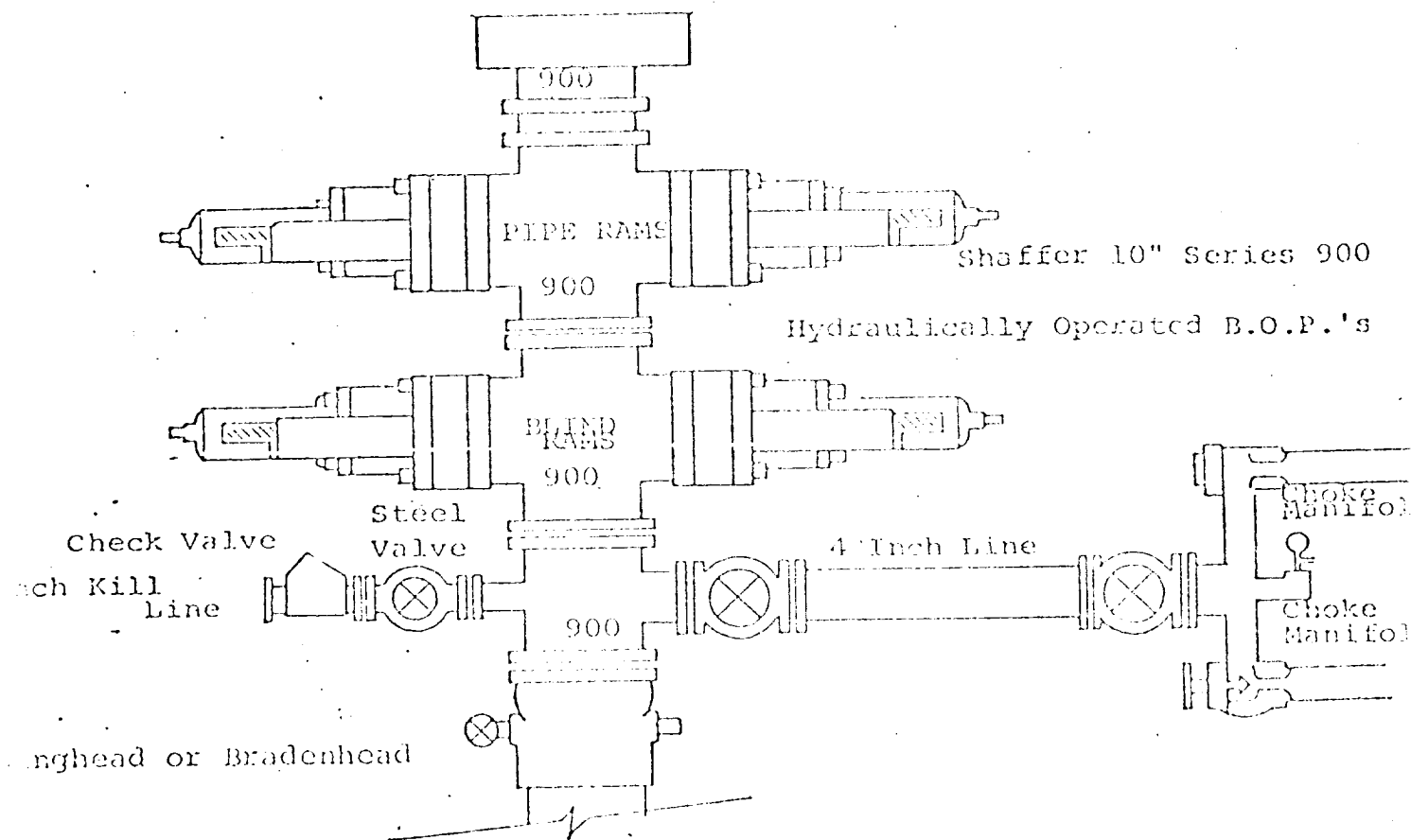
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
6. Mud Program: See Form 9-331C.
7. Auxiliary Equipment: Kelly Cock, pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:  
  
Samples: Surface casing to TD  
DST's: As warranted  
Logging: Surface casing to TD, CNL-FDC TD to casing with GR-CNL on to surface and DLL from TD to casing with R<sub>x</sub>O.  
Coring: None anticipated
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



Yule Petroleum Corp  
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## EXHIBIT B



### FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

- All preventers to be hydraulically operated with secondary manual control 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.
- D. P. float must be installed and used below zone of first gas intrusion.