

N.M.O.C.D. *Artesia*
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPLICATE*
(Other Ins. on covers)

Form approved.
Budget Bureau No. 42-R1425.

30-005-61439

C/SF
APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WELL
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

2. TYPE OF WELL
OIL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

3. NAME OF OPERATOR
James Petroleum Corporation

4. ADDRESS OF OPERATOR
207 S. 4th Street, Artesia, New Mexico 88210

5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
660' FNL & 1980' FEL

6. AT PROPOSED PROD. ZONE
At proposed prod. zone

7. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approximately 30 miles NNE of Roswell, NM

8. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PRODUCTION LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) *660'*

9. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPROVED FOR, ON THIS LEASE, FT. *660*

10. ELEVATION (Show whether DF, RT, GR, etc.)
1980' 2 GL

11. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF PIPE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
<i>14 3/4"</i>	<i>10 3/4"</i>	<i>48# J-55</i>	<i>Approx. 850'</i>	<i>800 sx circulated</i>
<i>7 1/8"</i>	<i>4 1/2"</i>	<i>10.5#-15.5#</i>	<i>TD</i>	<i>350 sx</i>

12. WE propose to drill and test the *Abo* and intermediate formations. Approximately *850'* of surface casing will be set and cement circulated to shut off gravel and caving. If needed (lost circulation) *7"* 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.

13. MUD PROGRAM: *FW gel and LCM to 850', KCL & starch to 3500', Brine & KCL water to TD*

14. BOP PROGRAM: *BOP's will be installed at the offset and tested daily.*

15. GAS NOT DEDICATED.

16. IN ABOVE SECTION 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 prevention program, if any.

17. SIGNATURE
Glenn R. ...

18. TITLE *Regulatory Manager* DATE *2/18/82*

19. (This space for Federal or State office use)

20. APPROVED
APPROVED
1982 2 6 1982
JAMES A. CILLHAM
DISTRICT SUPERVISOR

21. APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

22. LEASE DESIGNATION AND SERIAL NO.
NM 28304-A

23. IF INDIAN, ALLOTTEE OR TRIBE NAME
NM 1 1982

24. UNIT AGREEMENT NAME
...

25. FARM OR LEASE NAME
Albitus "TH" Federal

26. WELL NO.
1

27. FIELD AND POOL, OR WILDCAT
Under Pecos Slope

28. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec. 21-T7S-R25E

29. COUNTY OR PARISH
Chaves

30. STATE
NM

31. NO. OF ACRES IN LEASE
640

32. NO. OF ACRES ASSIGNED TO THIS WELL
160

33. PROPOSED DEPTH
4150'

34. ROTARY OR CABLE TOOLS
Rotary

35. APPROX. DATE WORK WILL START*
ASAP

NEW MEXICO OIL CONSERVATION COMMISSION
 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 Albitus TH Federal		Well No. 1
Section 21	Township 7 South	Range 25 East	County Chaves	
Location of Well: feet from the North line and 1980 feet from the East line				
Ground Water 3766'	Producing Formation Abo	Pool Under Pecos Slope Abo	Dedicated Acreage: 160 Acres	

- 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).
- 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.) _____

Nonallowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

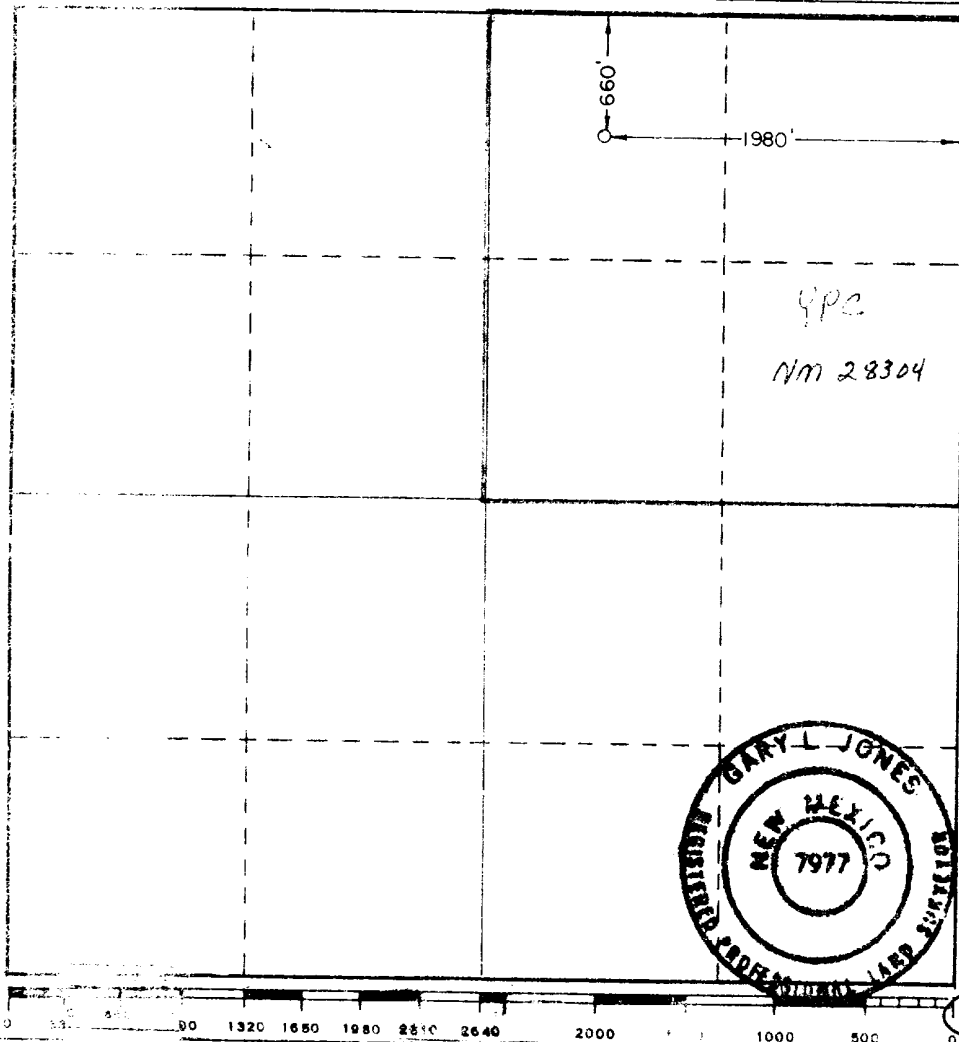
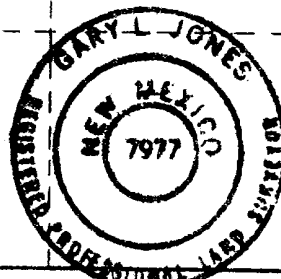
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Gliserio Rodriguez
 Position
Regulatory Manager
 Company
Yates Petroleum Corporation
 Date
2/18/82

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
2/15/82
 Registered Professional Engineer and/or Land Surveyor

Certificate No.
7977



YATES PETROLEUM CORPORATION
'lbitus "TH" Federal #1
660' FNL and 1980' FEL
Section 21-T7S-R25E

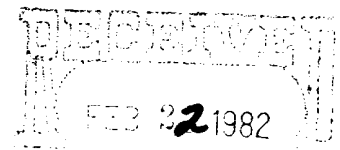
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements.

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

<u>Andres</u>	<u>389'</u>
<u>Florietta</u>	<u>1473'</u>
<u>Wellerton</u>	<u>2916'</u>
<u>TD</u>	<u>3556'</u>
<u>FD</u>	<u>4150'</u>
3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:
Water: 250'
Oil or Gas: 3575'
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:	<u>Surface casing to TD.</u>
EPGs:	<u>As warranted.</u>
Coring:	<u>Intermediate casing to TD.</u>
Logging:	<u>CNL-FDC TD to casing with GR-CNL on to surface and DLL from TD to casing</u>
9. Abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

Yates Petroleum Corporation
Albitus "TH" Federal #1
660' FNL and 1980' FEL
Section 21-T8S-R25E



OF & 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 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 operations.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 30 miles ENE 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 to mile marker 139, distance of approximately 22 miles. Turn east and go approximately 9 miles to a cattle-guard. Continue east for approximately .3 of a mile. Turn southeast along established ranch road approximately .8 of a mile.

2. Turn south to location.

2. PLANNED ACCESS ROAD.

A. The proposed new access will be approximately .2 of a mile in length from point of origin to the southeast edge of the drilling pad. The road will lie in a north east to southwest direction.

B. The new road will be 12 feet in width (driving surface).

C. The new road will be bladed with drainage on one side. Two turnouts will be built.

D. The route of the road is visible.

3. LOCATION OF EXISTING WELL.

A. There is drilling activity a mile from the wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

A. There are no production facilities on this lease at the present time.

8. ANCILLARY FACILITIES.

A. None required.

9. WEBSITE LAYOUT.

A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.

B. The location surface has a slight slope, some cut and fill may be 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.

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 CONTRUCTION MATERIALS.

- A. There is no existing pit of construction material in the immediate vicinity so none will be used. If necessary, 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 MMS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulation 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 to 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. WEBSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface has a slight slope, some cut and fill may be 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 aesthically pleasing a conditions 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 and/or vegetation requirements as stated in the Operator-Landowner Agreement will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level 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.

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 5 miles.
- D. There are no inhabited dwellings in the vicinity of the proposed well. The Red Bluff Ranch is located one half mile away.
- E. Surface Ownership: The wellsite is on federal minerals and private surface. The location is on surface patented to Spool Cattle Company, P. O. Box 9354, Amarillo, Texas, 79105, Jim Walker President. This well will be located 660' FNL and 1980' FEL of Section 21-T7S-R25E, Chaves County.

It was agreed that we would compensate him monetarily for the surface damaged in drilling this well. The pit areas will be leveled after they are dry and along with the pad will be left to reseed naturally.

- 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, Cy Cowan or Ken Beardemphl
Yates Petroleum Corporation
207 S. 4th Street
Artesia, New Mexico 88210

(505) 746-3558

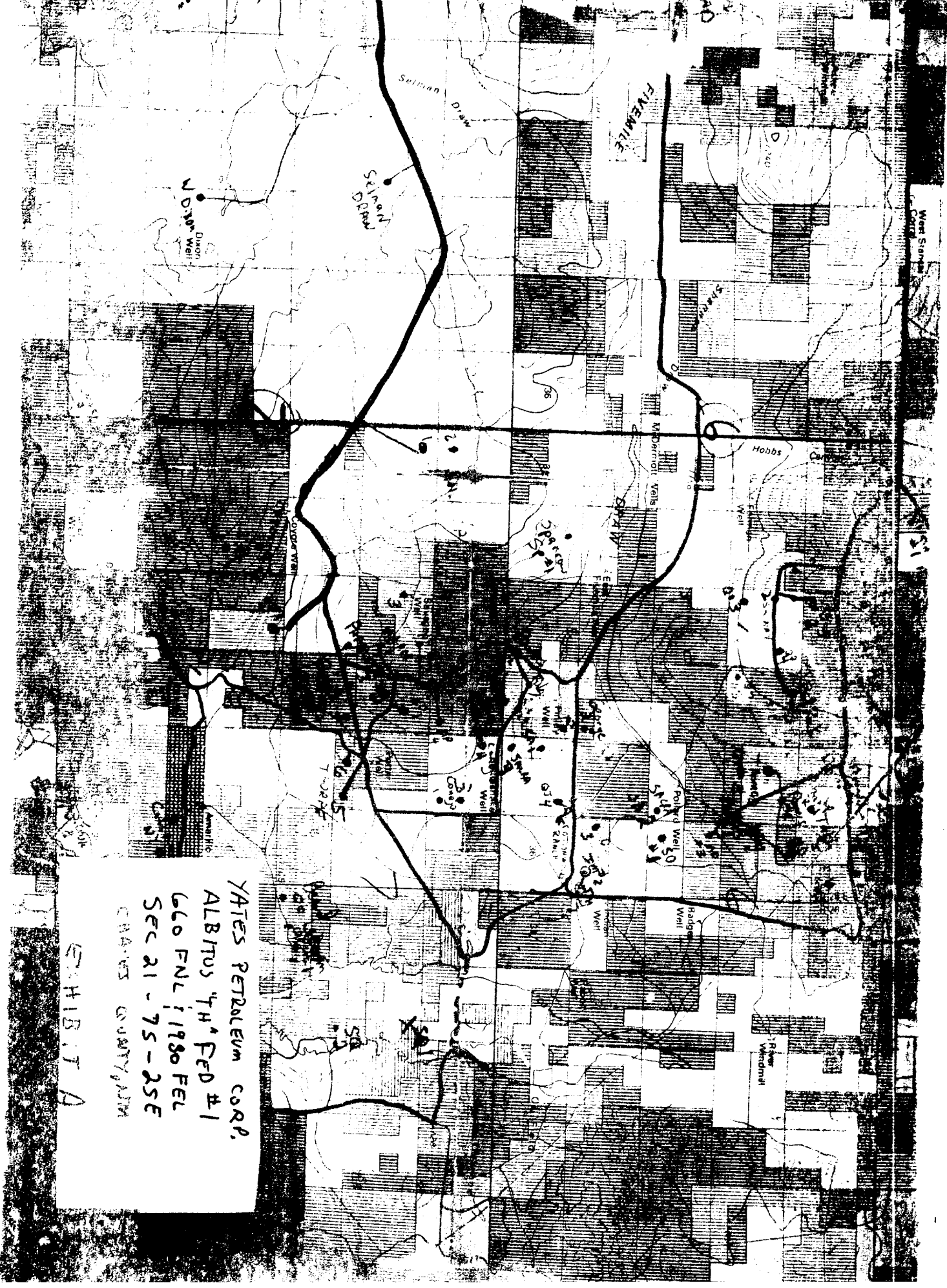
13. CERTIFICATION.

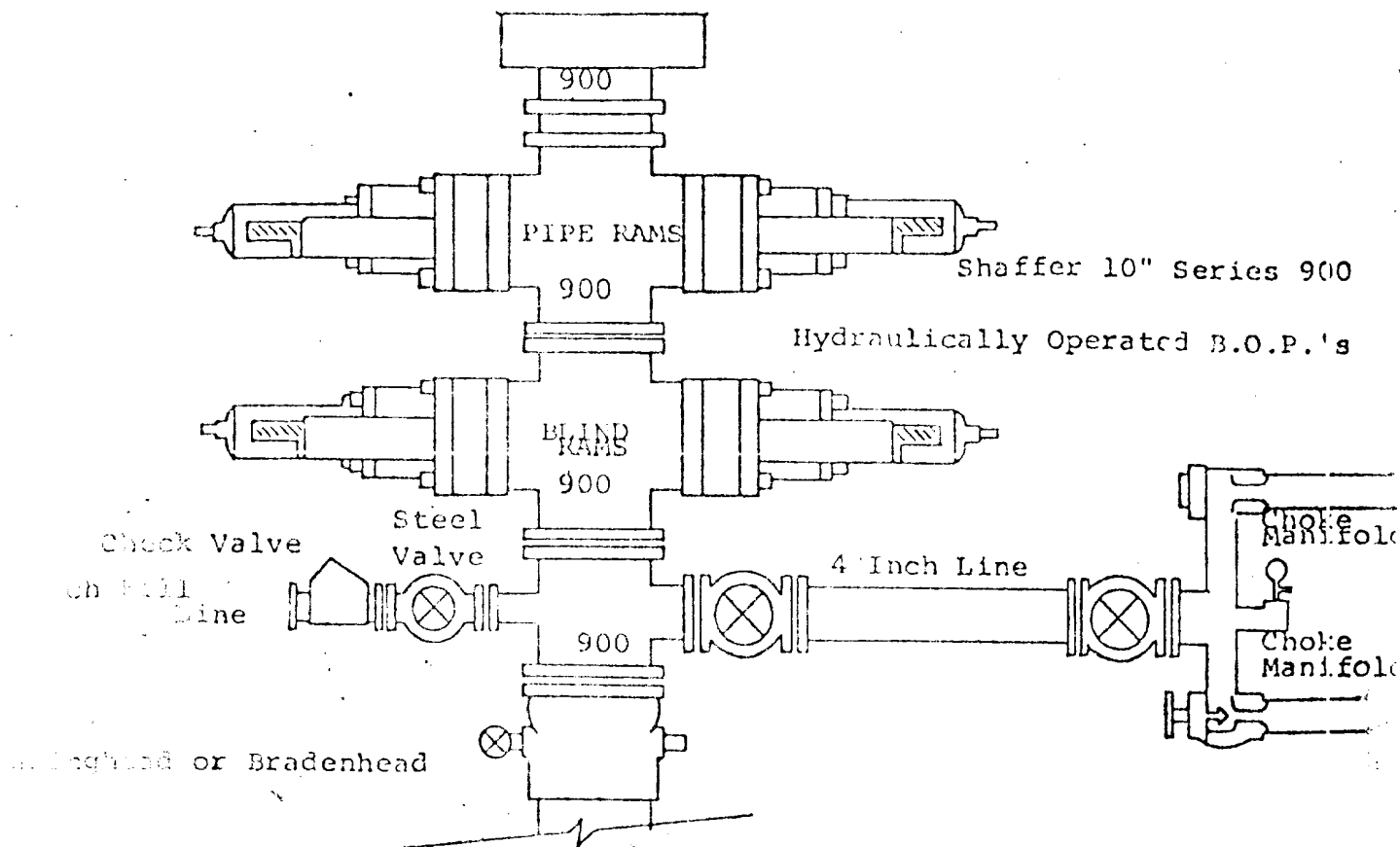
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and, that the work associated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

2/18/82
DATE


Gliserio Rodriguez, Reg. Manager

YATES PETROLEUM CORP.
 ALBITUS "H" FED #1
 660 FNL; 1980 FEL
 SEC 21 - 75 - 25E
 CHAYES COUNTY, NEB
 EXHIBIT A





FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control 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.