

NM OIL CONS. COMMISSION
Drawer DD
Artesia, N.M. 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

UBMIT IN TRIPI E*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 42-R1425.

30-005-6565 RECEIVED

C/SF
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 ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
Yates Petroleum Corporation

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

4. LOCATION OF WELL (Report location clearly and in accordance with any state regulations)
At surface
1980 FNL & 660 FEL
At proposed prod. zone
Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
34 mile N NE of Roswell, N.M.

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.

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3983.6 G/L

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. 920	750 Sx Circulated
7 7/8"	4 1/2" or 5 1/2"	10.5 or 15.5#	TD 4200	350 Sx

We propose to drill and test the Abo and intermediate formations. Approximately 920' 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 cemented with enough cement calculated to tie back into the surface casing. Temperature survey will 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 and starch to TD.
MW 9.6 - 10, Vis. 29 - 34, WL 14 - 7.

BOP Program: BOP'S will be installed in 10 3/4" 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 *George H. Stewart*
(This space for Federal or State use)

TITLE Regulatory Manager

DATE Feb. 23, 1982

PERMIT NO. (Orig. & 4) GEORGE H. STEWART

(Orig. & 4) GEORGE H. STEWART

APPROVED BY APR 23 1982
CONDITIONS OF APPROVAL, IF ANY:

TITLE APR 23 1982

DATE

FOR
JAMES A. GILLHAM
DISTRICT SUPERVISOR

RECEIVED
MAR 3 1982

5. LEASE DESIGNATION AND SERIAL NO.
NM 14983

6. IF INDIAN, ALLOTTEE, OR TRIBAL
APR 26 1982

7. UNIT AGREEMENT NAME
O. C. D.
ARTESIA, OFFICE

8. FARM OR LEASE NAME
Monaghan QY Federal

9. WELL NO.
3

10. FIELD AND WELLS, OR WILDCAT
X Pecos Slope
Undesignated ABO

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 21, T5S - R24E

12. COUNTY OR PARISH
Chaves
13. STATE
NM

OIL & GAS
U.S. GEOLOGICAL SURVEY
NO. OF ACRES ASSIGNED
TO THIS WELL
160

19. PROPOSED DEPTH
4200

20. ROTARY OR CABLE TOOLS
Rotary

22. APPROX. DATE WORK WILL START
ASAP

Posted ID-1
API + NL Book
4-30-82

N M EXICO OIL CONSERVATION COMMISS
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.

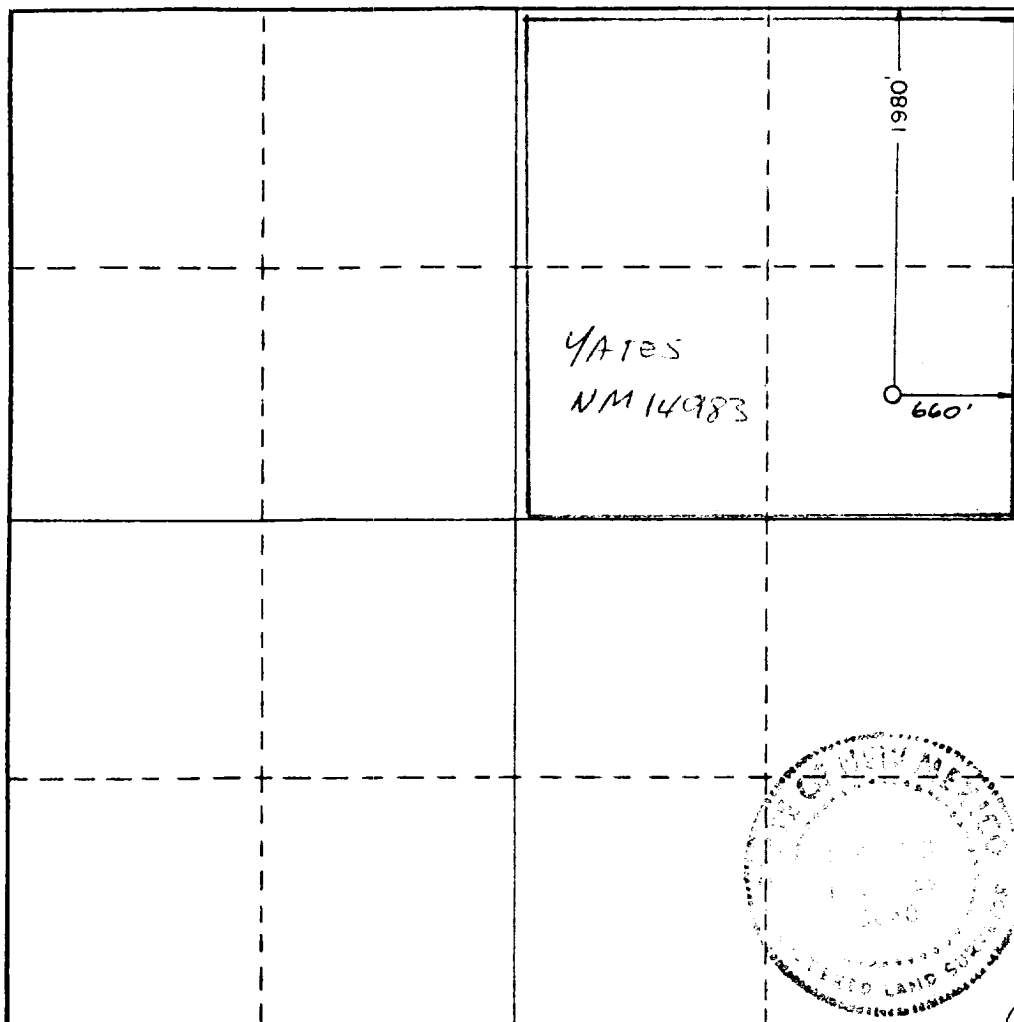
Operator YATES			Lease Monaghan QY Federal			Well No. 3		
Unit Letter H	Section 21	Township 5 South		Range 24 East	County Chaves			
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the East line								
Ground Level Elev. 3983.6	Producing Formation Abo		Pool <i>Pecos Slope</i> Undesignated 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
Gliserio Rodriguez
Position
Reg. Manager
Company
Yates Petroleum

Date
12/2/81

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
September 22, 1981
Registered Professional Engineer
and/or Land Surveyor

Certificate No.

3640

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600

Yates Petroleum Corporation
Monaghan "QY" Federal #3
660 FEL & 1980 FNL
Section 21, T5S R24E
Chaves County, New Mexico

In conjunction with Form 9 - 331C, Application for Permit to Drill subject well, Yates Petroleum corporation submits the following ten (10) items of pertinent information in accordance with USGS requirements:

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

San Andres	531	Fullerton	2909
Glorieta	1503	TD	4200
Abo	3519		
3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water:	Approximately 200' - 250'
Oil or Gas	Abo 3540'
4. Proposed Casing Program: See Form 9 - 331C.
5. Pressure Control Equipment: See Form 9 - 331C.
6. Mud Program: See Form 9 - 331C and and Exhibit B.
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.
Coring:	CNL-FDC TD to casing with GR-CNL on to surface and DLL form TD to casing.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.

30-11

R

FT. S...

MILE MARKER
139

29

CHINA

SALT

SALT

TRAIL 139

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8 MILES

9 MILES

3.5 M

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MONMOUTH

QY-FEDS

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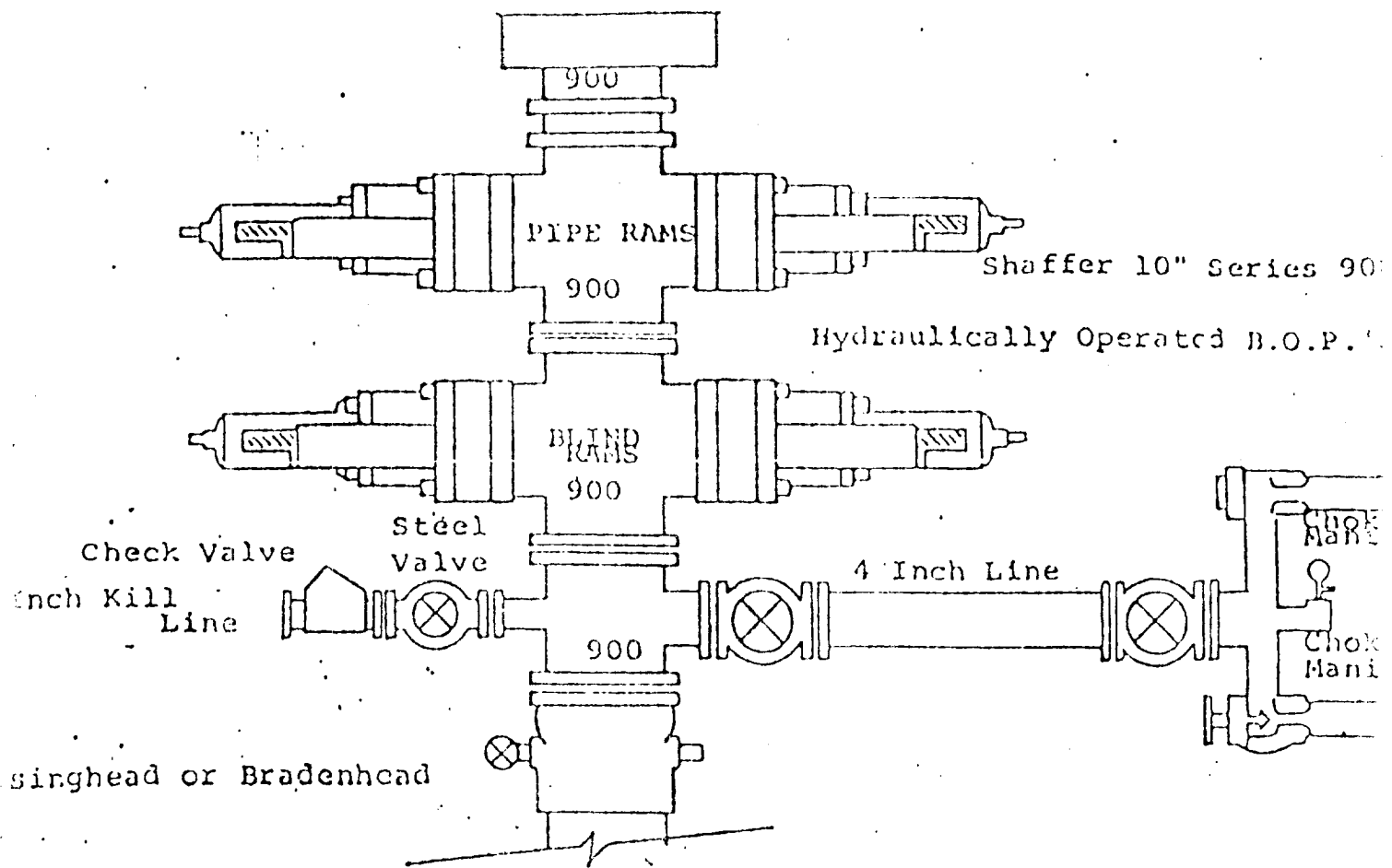
REDS RIVER

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70

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 pipe 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.