

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.

NM-28305

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Binnion "TT" Federal

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Pecos Slope Abo

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Sec. 23-T7S-R25E

12. COUNTY OR PARISH

Chaves

13. STATE

NM

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 S. 4th, Artesia, New Mexico 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

660' FSL and 660' FEL

At proposed prod. zone
same

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

Approximately 24 miles north of Roswell, NM.

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

800

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

660'

19. PROPOSED DEPTH

4200'

20. ROTARY OR CABLE TOOLS

Rotary

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

3663.3' GL

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	10 3/4"	40.5# J-55	850'	750 sx circulated
7 7/8"	4 1/2"	9.5#	TD	350 sx

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) 8 5/8" intermediate casing will be run to 1500' and cemented with enough cement calculated to tie back into the surface casing. If commercial, production casing will be run and cemented with adequate cover, perforated, and stimulated as needed for production.

MUD PROGRAM: FW gel & LCM to 850', Brien to 3500', Brine & KCL water to TD.

BOP PROGRAM: BOP's will be installed at the offset 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

APPROVED

TITLE Regulatory Coordinator

DATE

5-4-82

(This space for Federal or State office use)

PERMIT NO.

GEORGE H. STEWART

APPROVAL DATE

MAY 11 1982

APPROVED BY

FOR

TITLE

DATE

CONDITIONS OF APPROVAL
JAMES A. GILLHAM
DISTRICT SUPERVISOR

Post FD-1

NEW MEXICO OIL CONSERVATION COMMISSION
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 PETROLEUM CORPORATION			Lease Binnion "TT" Federal		Well No. 4
Unit Letter P	Section 23	Township 7 South	Range 25 East	County Chaves	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3663.3' GL	Producing Formation Abo		Pool Undes. Pecos Slope 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 To be Communitized

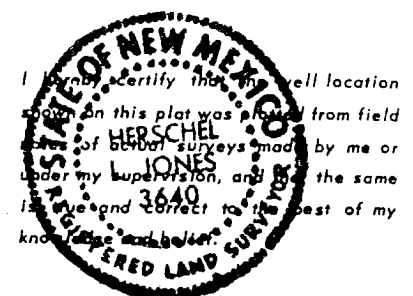
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

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.

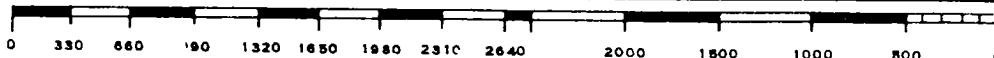
CERTIFICATION

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

Name
Cy Cowan
Position
Regulatory Coordinator
Company
Yates Petroleum Corp.
Date
5/4/82



Date Surveyed
April 29, 1982
Registered Professional Engineer and/or Land Surveyor
[Signature]
Certificate No.
3640



YATES PETROLEUM CORPORATION
Binnion "TT" Federal #4
660' FSL and 660' FEL
Section 23-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 alluvium.

2. The estimated tops of geologic markers are as follows:

<u>San Andres</u>	<u>395'</u>
<u>Glorieta</u>	<u>1485'</u>
<u>Fullerton</u>	<u>2910'</u>
<u>Abo</u>	<u>3603'</u>
<u>TD</u>	<u>4200'</u>

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

Water: 150' - 180'

Oil or Gas: Abo 3650'

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.

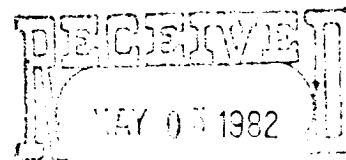
8. Testing, Logging and Coring Program:

Samples: Surface casing to TD.
DST's: As warranted.
Coring: None
Logging: CNL-FDC TD to csg. w/GR-CNL to surface & DLL from TD to casing

9. No abnormal pressures or temperatures are anticipated.

10. Anticipated starting date: As soon as possible after approval.

Yates Petroleum Corporation
Binnion "TT" Federal #4
660' FSL and 660' FEL
Section 23-T7S-R25E
(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 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 24 miles NE of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Proceed north of Roswell on Highway 285 for a distance of approximately 13 miles.
2. Turn east for approximately 2.5 miles and continue NE for about 9.5 miles. Turn east at the Abo Water Station sign for approximately 1.5 miles.
3. Turn north here on two track (to be upgraded for approximately 1300'). New road will start here.

2. PLANNED ACCESS ROAD.

- A. The proposed new access will be approximately 900' in length from point of origin to the southeast edge of the drilling pad. The road will lie in a southeast to northwest 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. One turnouts will be built.
- D. The route of the road is visible.

3. LOCATION OF EXISTING WELL.

- A. There is/~~is not~~ drilling activity within a one-mile radius of the wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There ~~are~~ are no production facilities on this lease 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 pit of construction materials in the immediate area
so the location will be balded and watered.
-
-

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.
- D. Oil produced during operation will be stored 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 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. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface flat.
- 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.

- B. Ignaried pits, if any, containing oil or gas shall be filled, graded and leveled.
- C. If the proposed well is non-productive, it shall be plugged and abandoned in accordance with the requirements of the Operator-Landowner Agreement. If the well is productive, it shall be plugged and abandoned as expeditiously as possible, but in any event within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the proposed well is flat. The immediate area is a grassy field. The area is used for cattle grazing.
- B. Flora and Fauna: The vegetation consists of native grasses and miscellaneous shrubs. There is no wildlife in the area, but the wildlife in the area probably includes deer, antelope, and other large mammals. The area is used for cattle grazing.
- C. Waterways: Pecos River is 3 miles east. Amarillo Well is 1/4 mile SW.
- D. There are no inhabited dwellings in the vicinity of the proposed well.
- E. Surface ownership: Private surface and federal minerals.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representatives responsible for design and planning of the well and surface use plan are:

Gilberto "Rob" Rodriguez, Operator Representative
Yates Petroleum Corporation
207 S. 4th Street
Amarillo, New Mexico 79101
(806) 746-1111

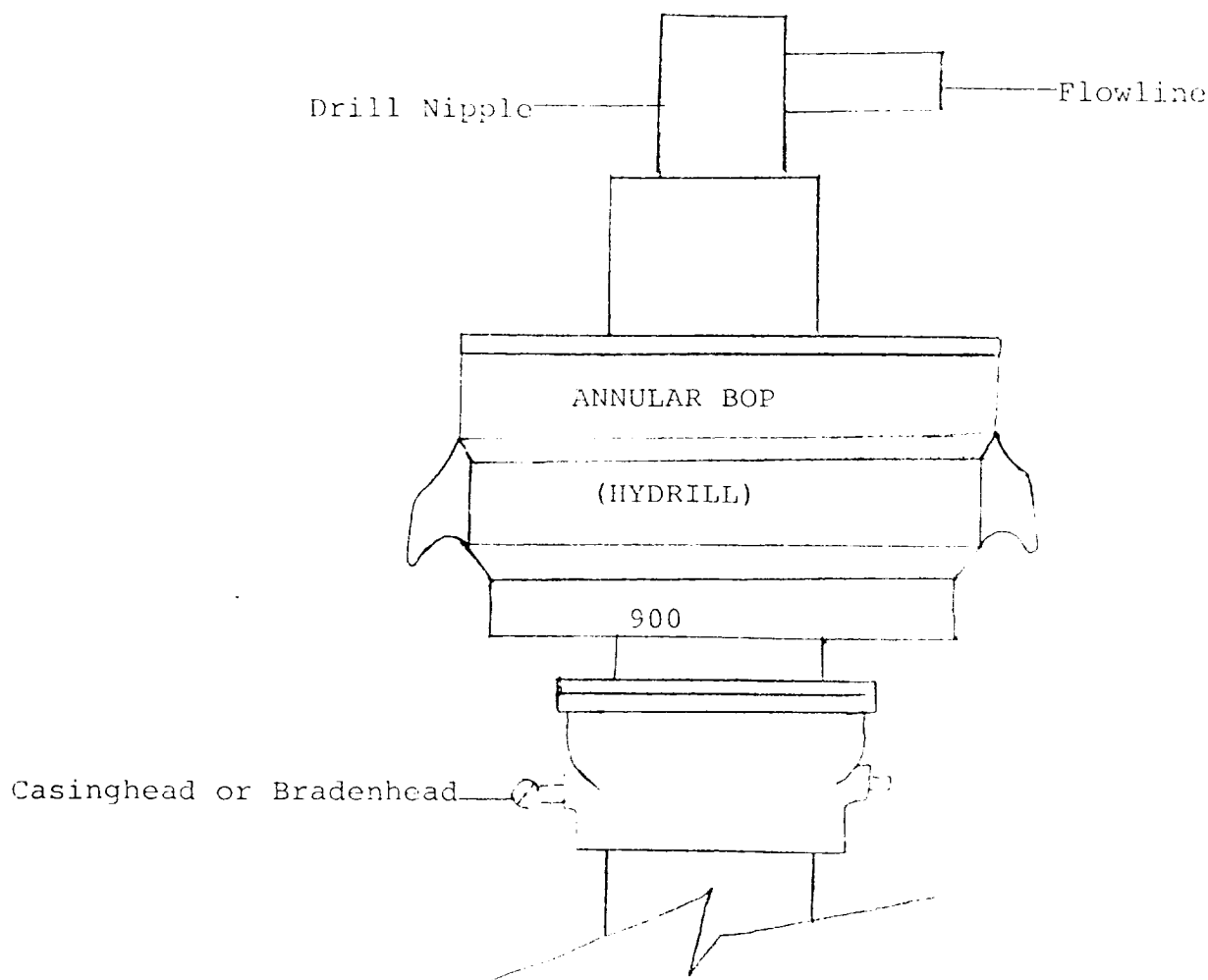
13. CERTIFICATION.

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

5-4-82
Date

Cy Cowan, Regulatory Coordinator

Exhibit B



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. All connections from operating manifolds to preventers to be all steel. Hole or tube a minimum of one inch in diameter.
3. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the BOP's.
4. All connections to and from preventer to have a pressure rating equivalent to that of the BOP's.
5. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.