

NM OIL CONS. COMMISSION

Drawn

Artesia, NM 88210

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN APPLICATION

(Other Instructions on reverse side)

Form approved.
Budget Bureau No. 42-R1425.

O. C. D.

ARTESIA OFFICE-14755

5. LEASE DESIGNATION AND SERIAL NO.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Powers "OL" Federal

9. WELL NO.

9

10. FIELD AND POOL, OR WILDCAT

Pecos Slope Abo

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

Sec. 29 T6S-R25E

12. COUNTY OR PARISH

Chaves

13. STATE

NM

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 S. 4th, Artesia, New Mexico

4. LOCATION OF WELL (Report location clearly and in accordance with applicable requirements)

At surface
660' FSL and 660' FWLAt proposed prod. zone
same

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

30 miles NNE of Roswell, NM

OIL & GAS

U.S. GEOLOGICAL SURVEY

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drg. unit line, if any)

660'

16. NO. OF FEET, IN NEAREST

2040

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.

19. PROPOSED DEPTH

4175'

20. ROTARY OR CABLE TOOLS

Rotary

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

3866.1' 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	910'	800 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 910' 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 and LCM to 910', Brine to 3200', 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

(This space for Federal or State office use)

PERMIT NO.

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE Regulatory Coordinator

DATE 5/17/82

APPROVAL DATE

TITLE

DATE

(Orig. & 1) GEORGE H. STEVART

JUN 3 1982

FOR
JAMES A. GILLHAM
DISTRICT SUPERVISORPast ID-7
NL Borehole
6-18-82

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.

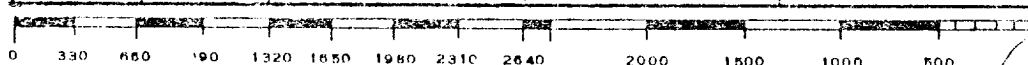
Operator YATES PETROLEUM CORPORATION			Lease Powers "OL" Federal		Well No. 9
Unit Letter M	Section 14	Township 6 South	Range 25 East	County Chaves	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the West line					
Ground Level Elev. 3866.1	Producing Formation Abo		Pool 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 _____

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.

Ken Beardemohl

Name

Ken Beardemohl

Position

Regulatory Coordinator

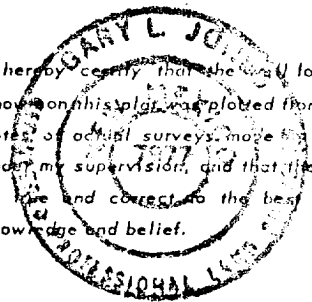
Company

Yates Petroleum Corp.

Date

5/17/82

I hereby certify that the well location shown on this plat was plotted from field notes or 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

5/7/82

Registered Professional Engineer and/or Land Surveyor

Dan Johnson

Certificate No.

7977

YATES PETROLEUM CORPORATION

Powers "OL" Federal #9

660' ESL and 660' FWL

Sec. 29-T6S-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 alluvium

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

<u>San Andres</u>	<u>480'</u>
<u>Glorieta</u>	<u>1557'</u>
<u>Fullerton</u>	<u>2995'</u>
<u>Abo</u>	<u>3654'</u>
<u>TD</u>	<u>4175'</u>

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

Water: Approximately 250' - 300'

Oil or Gas: Abo 3675'

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.

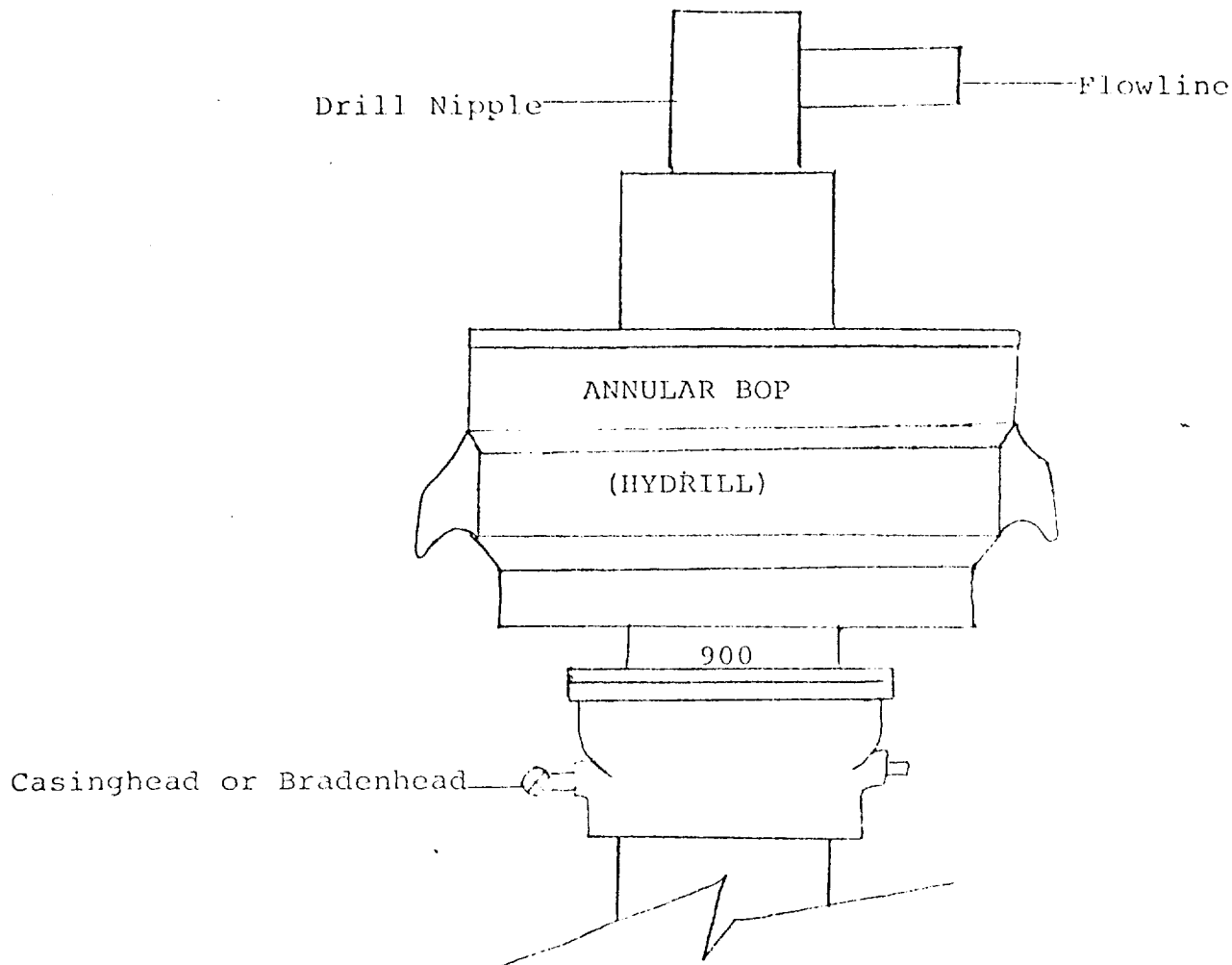
Coring: None

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.

Exhibit K



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.