

NM OIL CONS. COMMISSION  
 Drawel  
 Artesia, NM 88210  
 UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 GEOLOGICAL SURVEY

RECEIVED  
 SUBMIT IN APPLICATION Form approved.  
 (Other Instructions on reverse side) JUN 10 1982 Budget Bureau No. 42-R1425.

30-005-61642  
 O. C. D.  
 ARTESIA OFFICE-14755

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 any State requirements)  
 At surface  
 660' FSL and 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

16. NO. OF FEET, IN EXCESS OF 800 FEET, IN THIS WELL  
 2040

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 660'

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

5. LEASE DESIGNATION AND SERIAL NO.  
 Powers "OL" Federal

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
 Pecos Slope Abo

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. 14 T6S-R25E

12. COUNTY OR PARISH  
 Chaves

13. STATE  
 NM

RECEIVED  
 MAY 21 1982  
 W.M.

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 Van Beek TITLE Regulatory Coordinator DATE 5/17/82

(This space for Federal or State office use)

PERMIT NO. (Orig. 831) GEORGE H. STEWART APPROVAL DATE JUN 3 1982

APPROVED BY JAMES A. GILLHAM TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 DISTRICT SUPERVISOR

FOR APPROVAL, IF ANY:

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.

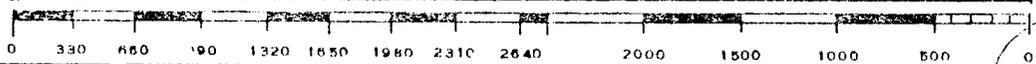
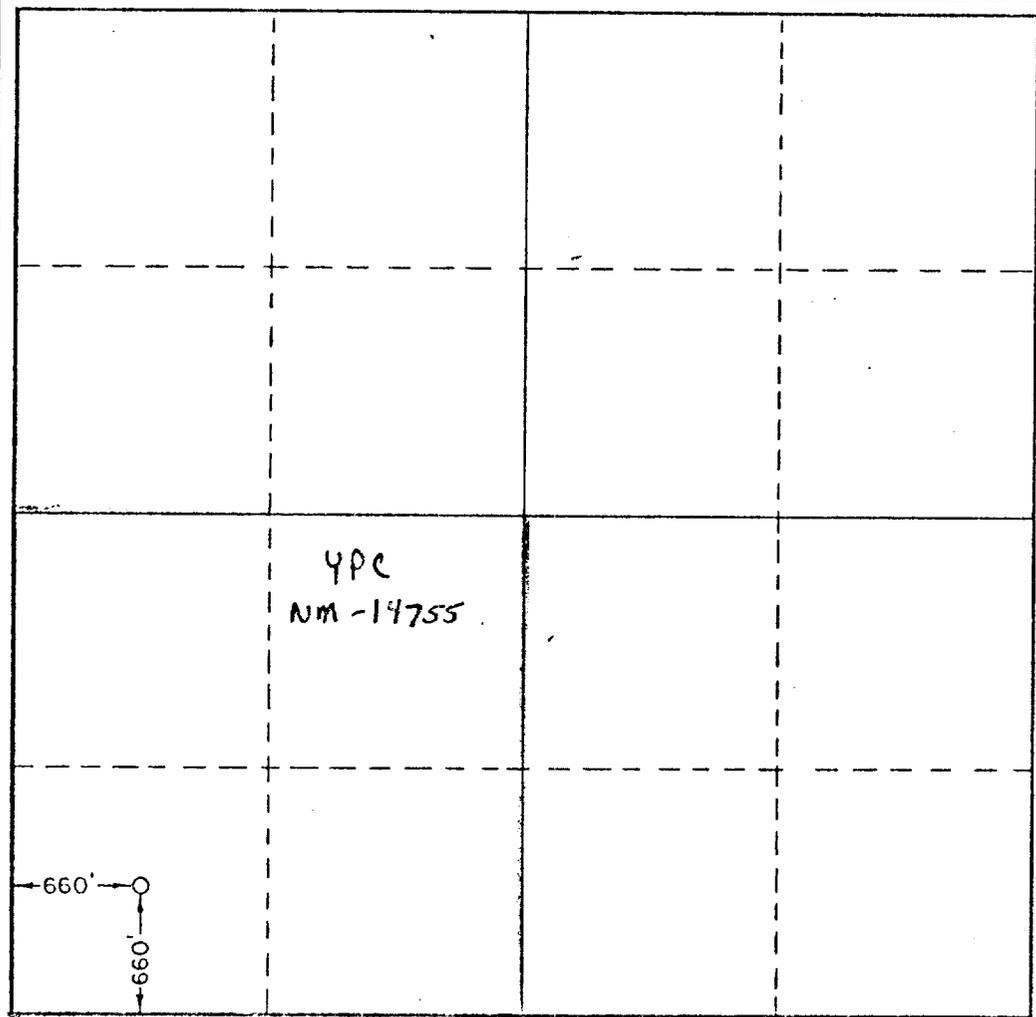
Operator <b>YATES PETROLEUM CORPORATION</b>			Lease <b>Powers "0L" Federal</b>		Well No. <b>9</b>
Unit Letter <b>M</b>	Section <b>14</b>	Township <b>6 South</b>	Range <b>25 East</b>	County <b>Chaves</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>West</b> line					
Ground Level Elev. <b>3866.1</b>	Producing Formation <b>Abo</b>		Pool <b>Pecos Slope Abo</b>	Dedicated Acreage: <b>160</b> 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.

**GARY L. JOHNSON**  
REGISTERED PROFESSIONAL ENGINEER AND LAND SURVEYOR

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-TGS-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.

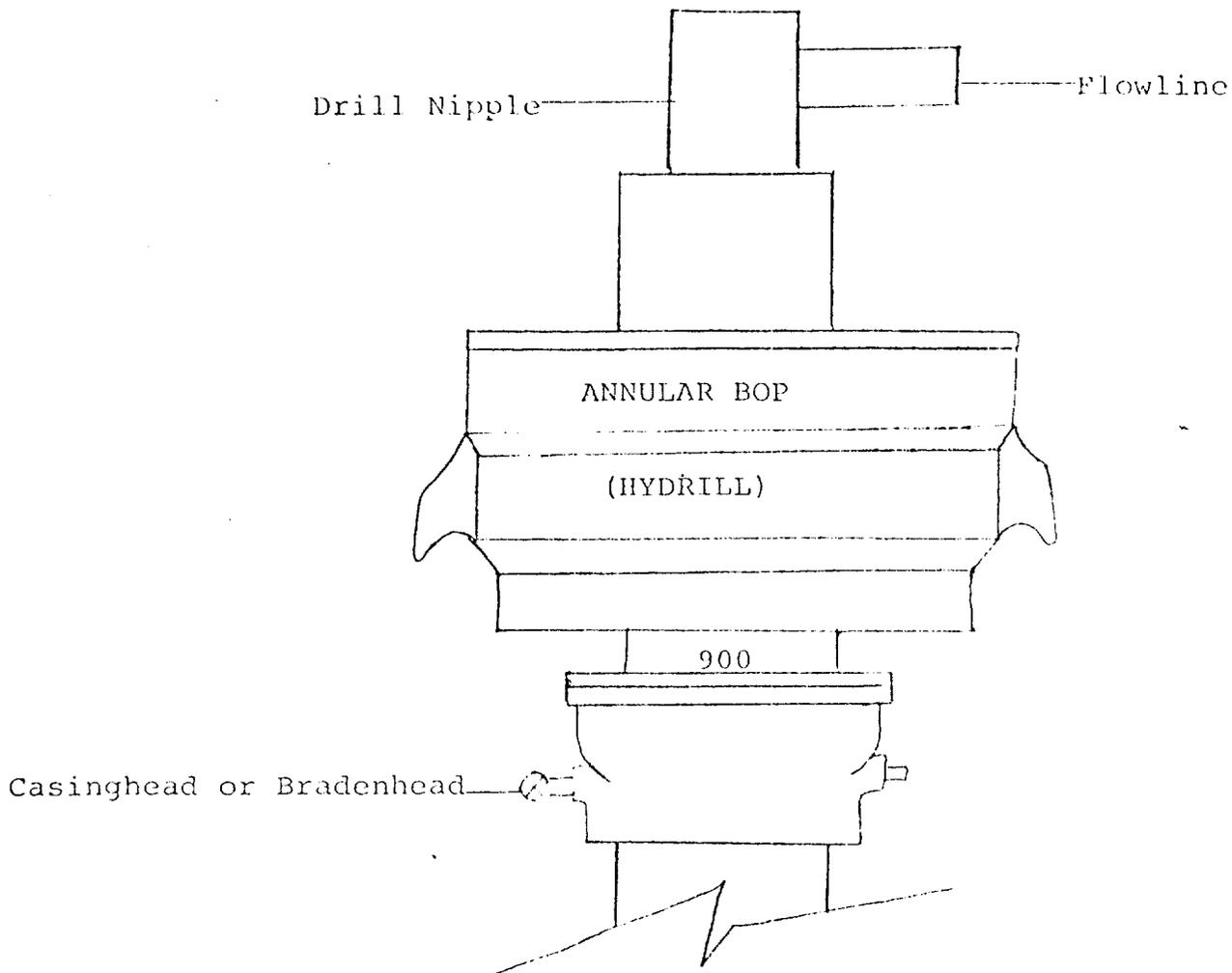
Coring: None

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.