

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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 88210

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

At surface

1980' ENL and 660' FEL

At proposed prod. zone

same

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

Approximately 24 miles NE of Roswell, New Mexico.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any) 660'

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1500'

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

4350'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

3671.7' 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# J-55	850'	700 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, perforate, and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 850', KCL & starch 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

Cy Cowan

TITLE Regulatory Coordinator

DATE 8/2/82

(This space for Federal or State official use)

APPROVED
(Orig. Sgd.) GEORGE H. SIEMANKI

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

AUG 26 1982
JAMES A. GILLHAM
DISTRICT SUPERVISOR

EW MEX. 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.

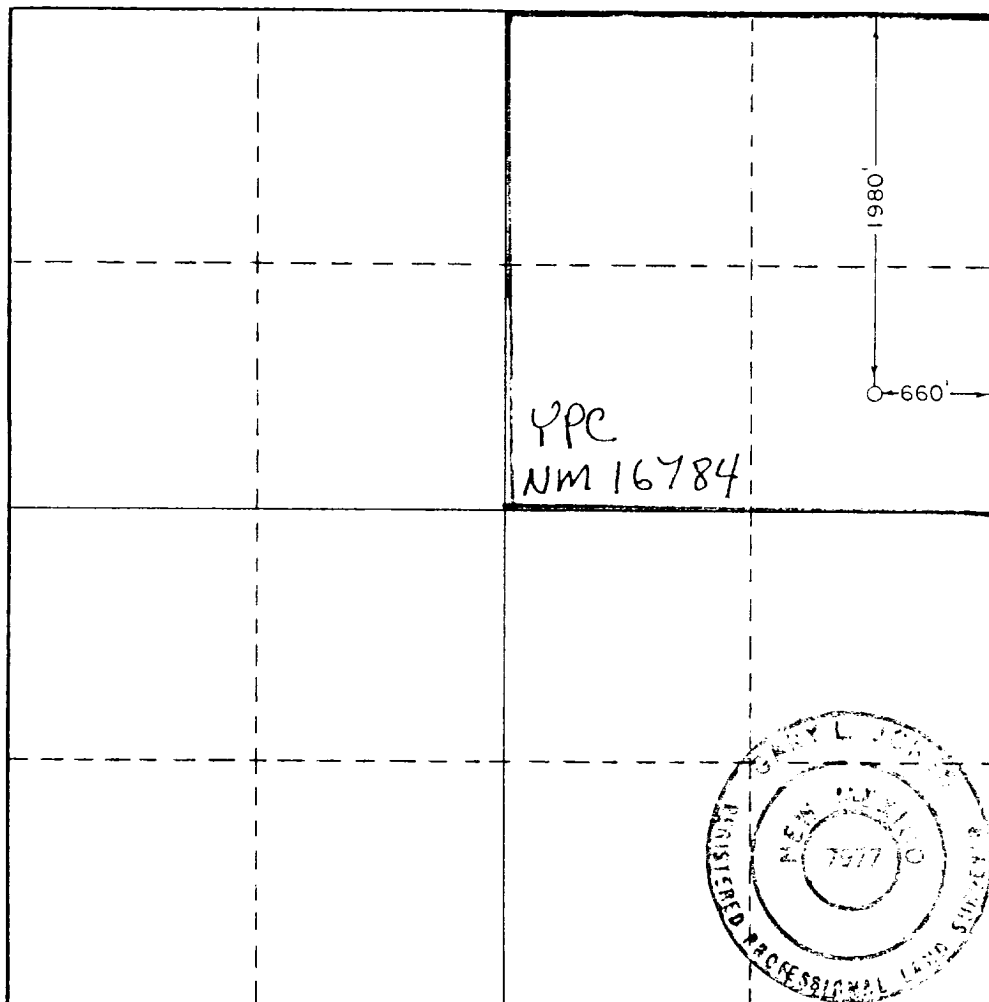
Operator YATES PETROLEUM CORPORATION			Lease Verbena "UV" Federal		Well No. 1
Unit Letter H	Section 26	Township 7 South	Range 25 East	County Chaves	
Actual Footage Location of Well:					
1980 feet from the North line and		660 feet from the East line			
Ground Level Elev. 3671.7'	Producing Formation Abo	Pool Pceos Slope Abo	Dedicated Acreage: 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

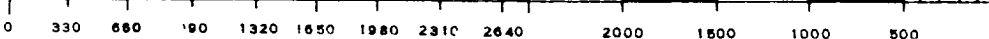
Cy Cowan

Name
Cy Cowan
Position
Regulatory Coordinator
Company
Yates Petroleum Corp.
Date
8/2/82

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
July 27, 1982
Registered Professional Engineer
and/or Land Surveyor

Dan Jones
Certificate No.
7977



YATES PETROLEUM CORPORATION
Verbena "UV" Federal #1
1980' FNL and 660' FEL
Sec. 26-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 alluvium.

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

San Andres	410'
Glorieta	1510'
Fullerton	2866'
Abo	3626'
TD	4250'

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

Water: 200' - 250'

Oil or Gas: 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.

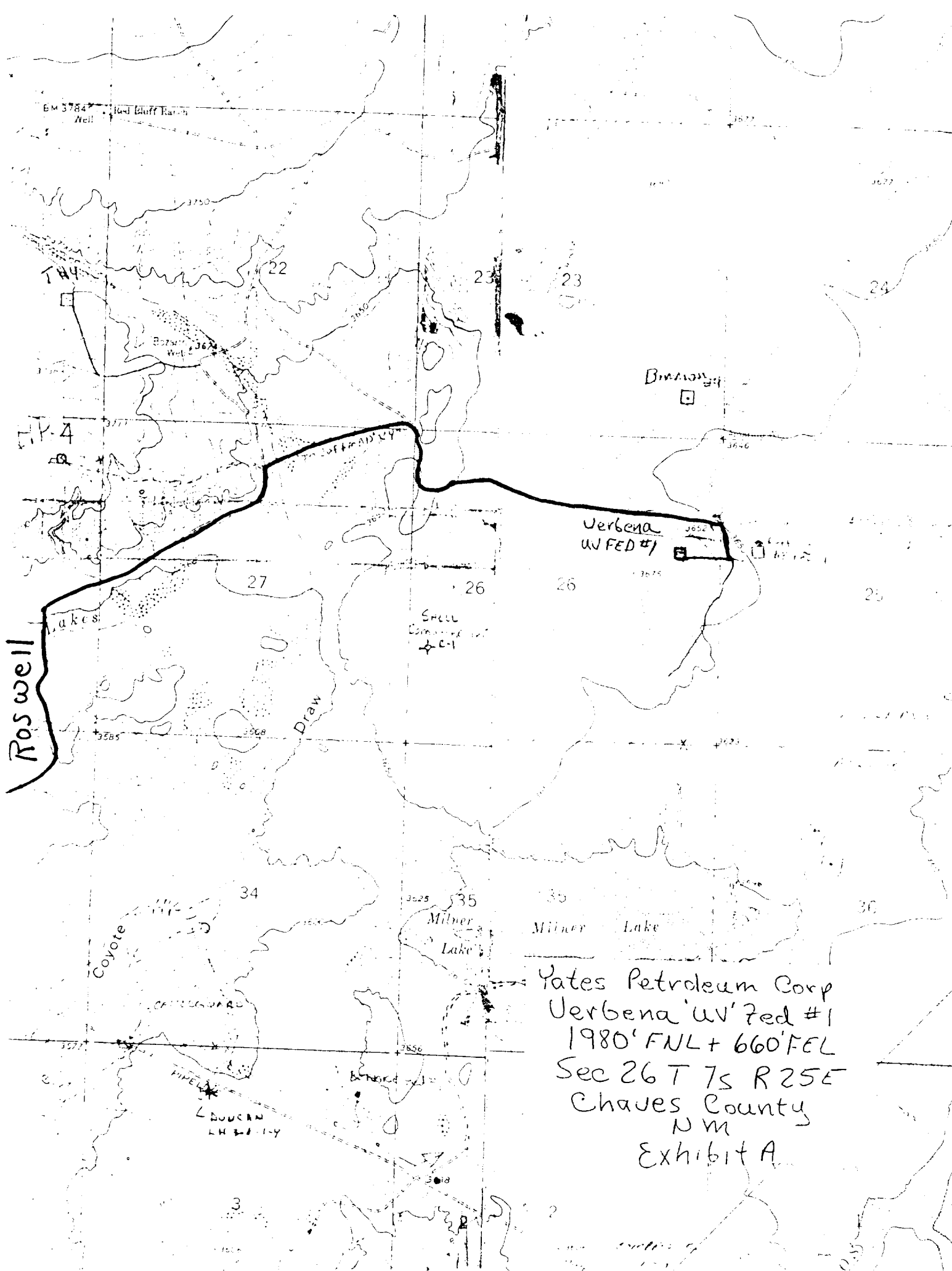
DST's: As warranted.

Coring: None.

Logging: CNL-FDC TD to casing w/GR-CNL to surface & DLL from TD to csg.

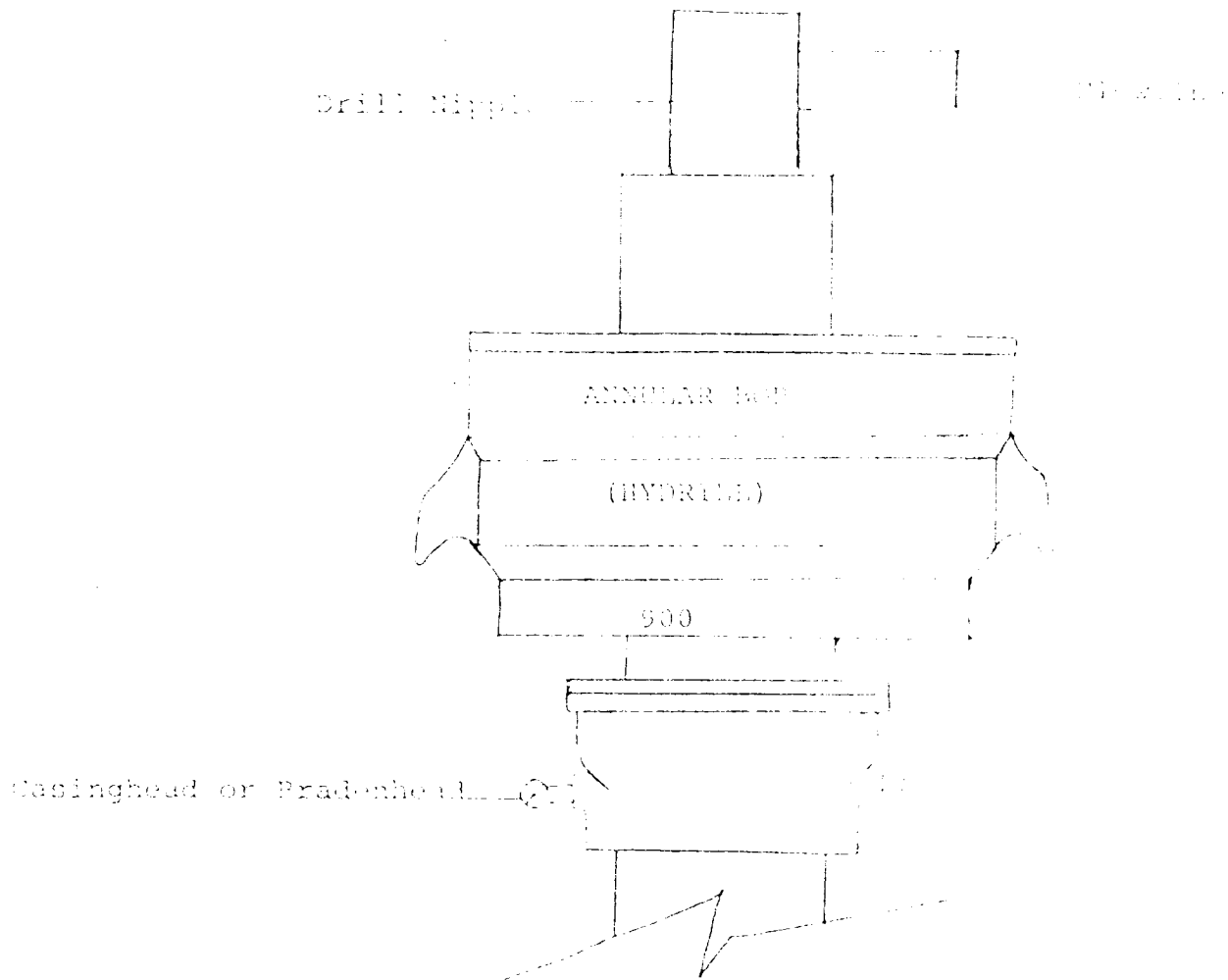
9. No abnormal pressures or temperatures are anticipated.

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



Yates Petroleum Corp
Verbena 'W' Fed #1
1980' FNL + 660' FEL
Sec 26 T 7s R 25E
Chaves County
NM
Exhibit A

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.

