

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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 ☐RECEIVED ☐

ZONE

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street - Artesia, NM 88210

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

At surface

660' FSL and 1980' FEL

At proposed prod. zone

Same

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

Approximately 34 miles northeast of Roswell, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

660'

18. DISTANCE FROM PROPOSED LOCATION*

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

2640'

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

4250'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

4067.2' GR

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
12-1/4"	8-5/8"	24# K-55	Approx. 950'	750 sacks - circulate
7-7/8"	4-1/2"	9.5# K-55	TD	350 sacks

We propose to drill and test the Abo and intermediate formations. Approximately 950' of surface casing will be set and cement circulated to shut off gravel and cavings. 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 950', brine to 3200', salt gel and starch 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

Clifton R May

TITLE Permit Agent

DATE April 27, 1988

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

S/Phil Kirk

TITLE

Area Manager

DATE

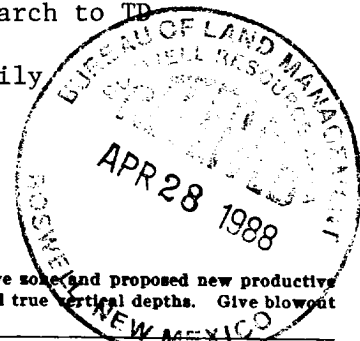
MAY 20 1988

CONDITIONS OF APPROVAL, IF ANY:

PLEASE BE ADVISED THAT THERE WILL BE NO EXCAVATION
 OF FEDERALLY OWNED MINERAL MATERIAL FOR CONSTRUCTION
 OF THE ACCESS ROAD OR PAD WITHOUT PAYMENT
 IN ADVANCE.

APPROVAL OF THIS APPLICATION DOES NOT WARRANT OR
 CERTIFY THAT THE APPLICANT HOLDS LEGAL OR EQUITABLE
 TITLE TO THOSE RIGHTS IN THE SUBJECT LEASE WHICH WOULD
 ENTITLE THE APPLICANT TO CONDUCT OPERATIONS THEREON.

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-120
Effective 1-4-85

All distances must be from the outer boundaries of the Section.

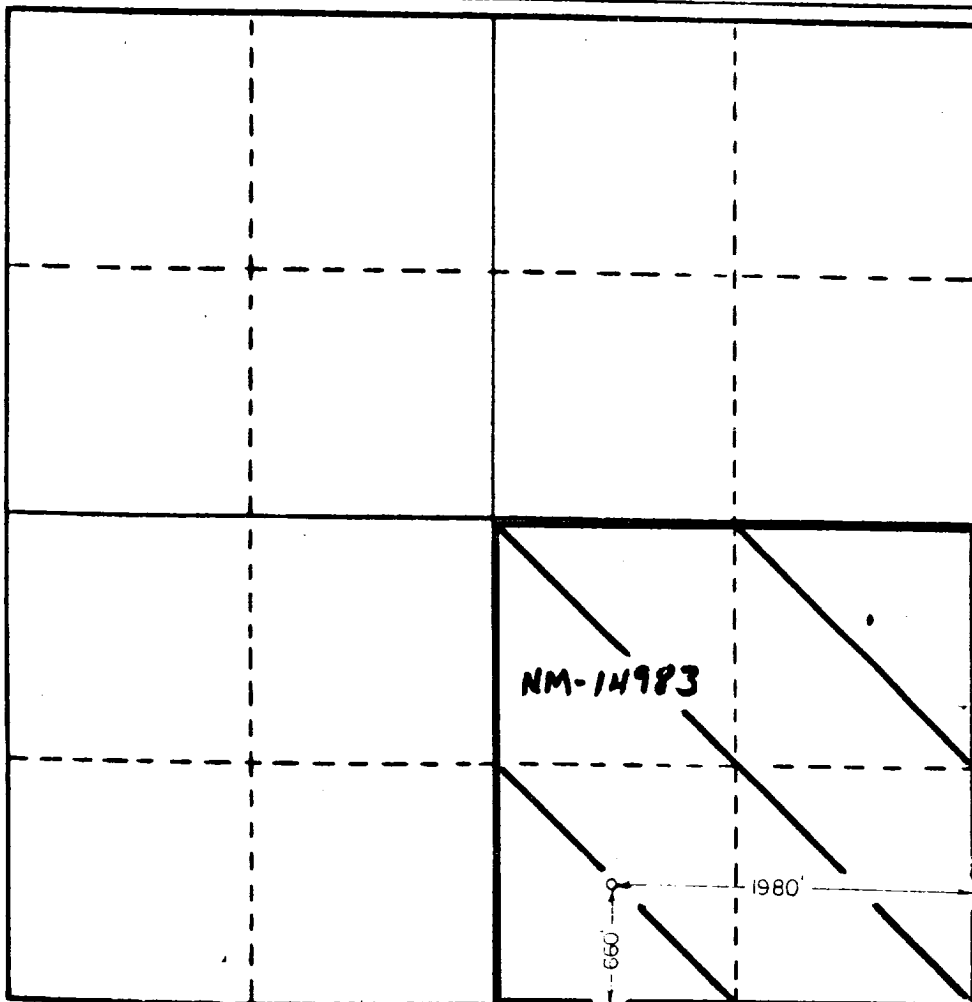
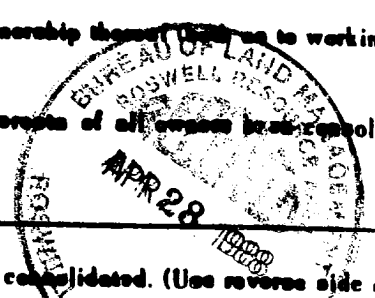
Operator YATES PETROLEUM CORPORATION			Lease MONAGHAN "QY" FEDERAL		Well No. 12
Unit Letter 0	Section 28	Township 5 South	Range 24 East	County Chaves	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 1980 East line and 660 South </div>					
Ground Level Elev. 4067.2	Producing Formation Abo	Tract PECOS SLOPE Abo	Dedicated Acreage 160 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plot below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (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.

Clifton R. May

Name
Clifton R. May

Position
Permit Agent

Company
Yates Petroleum Corporation

Date
April 27, 1988

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.



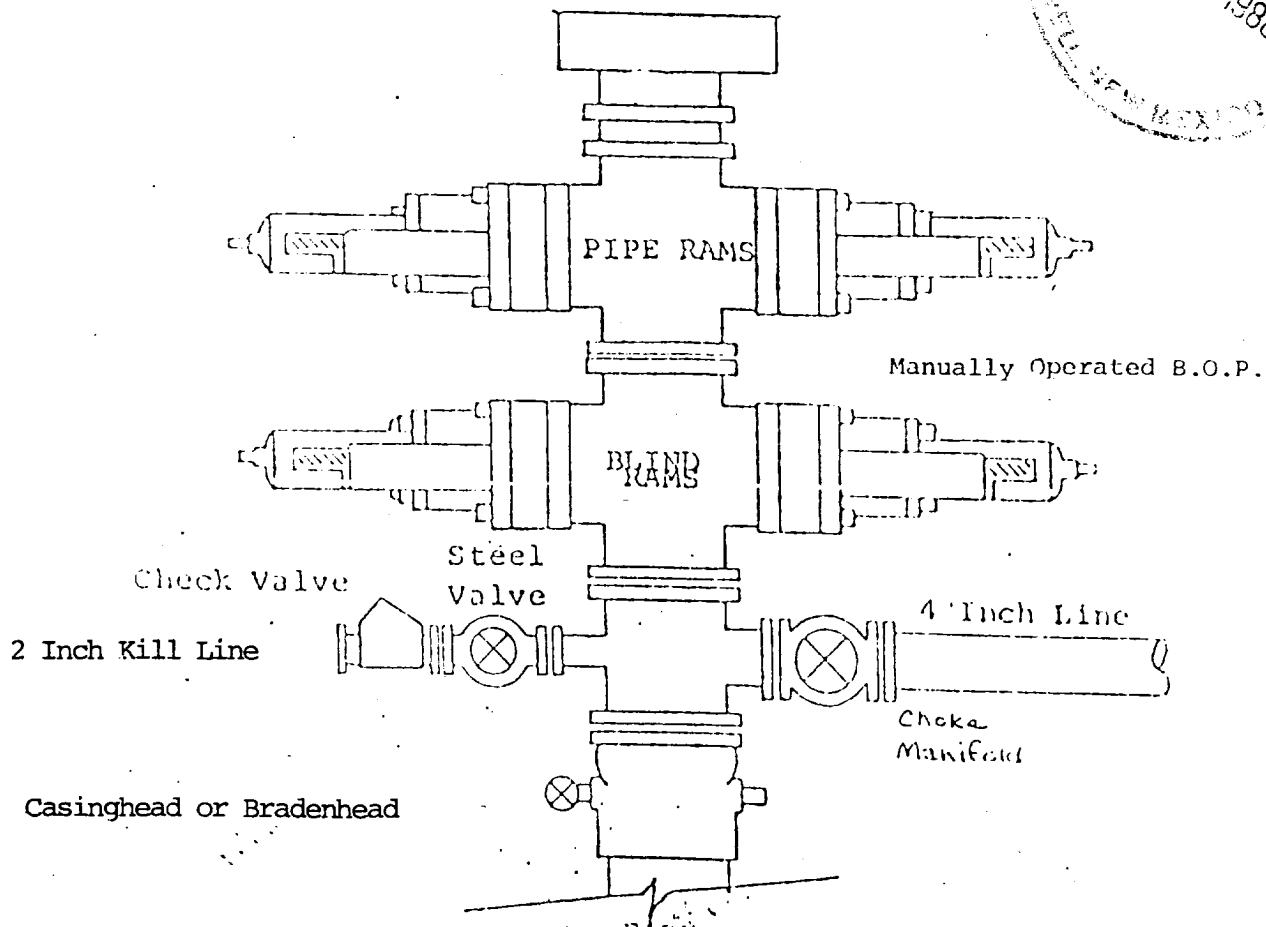
Certificate No. **3640**



EXHIBIT B

BDP DIAGRAM

RATED 3000[#]



YATES PETROLEUM CORPORATION
Monaghan QY Federal #12
660' FSL and 1980' FEL of
Section 28-T5S-R2⁴E
Chaves County, New Mexico



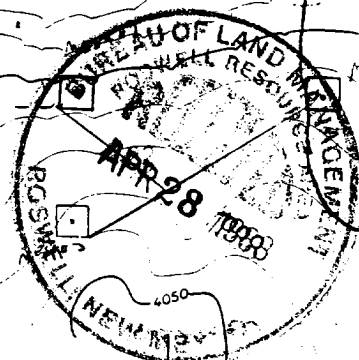
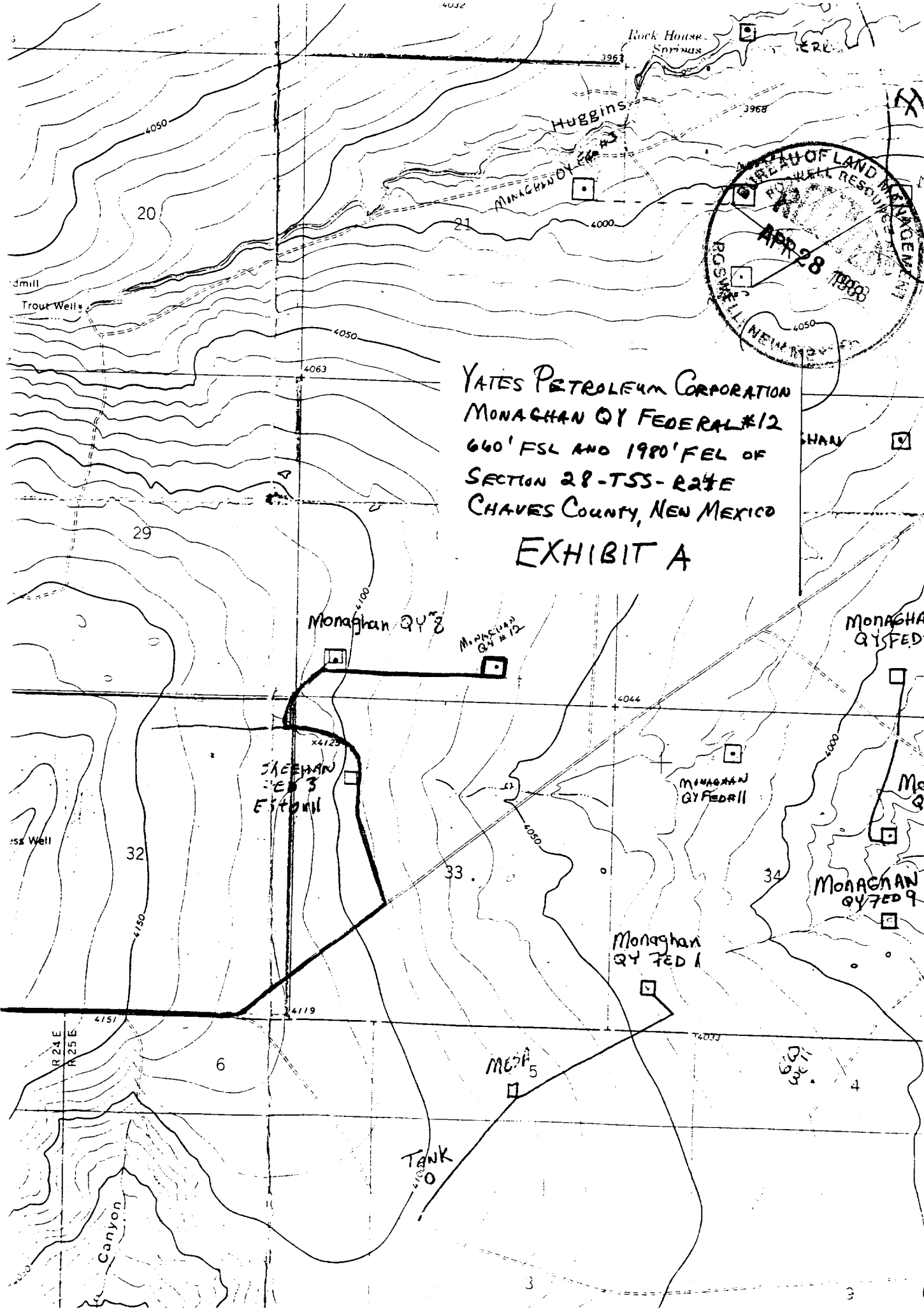
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

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

San Andres	566'
Glorieta	1521'
Yeso	1576'
Abo	3627'
TD	4250'
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 3650'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C.
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:

DST's: As warranted
Logging: CNL/FDC from TD to casing with GR-CNL on to surface; DLL from TD to casing
Samples: Surface casing to TD
Coring: None
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



YATES PETROLEUM CORPORATION
MONAGHAN QY FEDERAL #12
660' FSL AND 1980' FEL OF
SECTION 28-TSS-R24E
CHAVES COUNTY, NEW MEXICO
EXHIBIT A

Monaghan QY #3

Monaghan QY #12

Monaghan QY #3
Est. well

Monaghan QY Fed #11

Monaghan QY Fed

Monaghan QY Fed #9

Monaghan QY Fed #1

MEOP #5

TANK #10

R 24E
R 25E

Canyon

YATES PETROLEUM CORPORATION

EXHIBIT C

