

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

L CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

RECEIVED

NOV 17 '88

30-005-61649
Form C-101
Revised 10-1-78

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DISTRIBUTION	
SANTA FE	✓
FILE	✓
U.S.G.S.	✓
LAND OFFICE	✓
OPERATOR	✓

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
LG 6319	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		NA	
2. Name of Operator BHP PETROLEUM COMPANY INC. ✓		8. Farm or Lease Name YATES "36" State	
3. Address of Operator 6 Desta Drive, Ste. 3200 Midland, Texas 79705-5510		9. Well No. 1	
4. Location of Well UNIT LETTER <u>L</u> LOCATED <u>1980'</u> FEET FROM THE <u>South</u> LINE AND <u>990'</u> FEET FROM THE <u>West</u> LINE OF SEC. <u>36</u> TWP. <u>10S</u> RGE. <u>26E</u> NMPM		10. Field and Pool, or Wildcat Wildcat-Montoya	
		12. County Chaves	
		19. Proposed Depth 6700'	
		19A. Formation Montoya	
		20. Rotary or C.T. Rotary	
21. Elevations (Show whether DF, RT, etc.) 3706.6'		21A. Kind & Status Plug. Bond Statewide	
		21B. Drilling Contractor Peterson Drilling	
		22. Approx. Date Work will start On approval Date	

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12-1/4"	8-5/8"	24.0# J-55	1200'±	650	Circulate
7-7/8"	5-1/2"	15.5# J-55	6700'±	200	5800'

Propose to drill to about 6700' to test Montoya and shallower formations.

If commercial production is indicated, the well will be completed in the deepest favorable formation, by cementing production casing, selectively perforating and stimulating. Run 2-7/8" tubing and test well.

See attached "Supplemental Data".

POST ID-1
NL & API
11-25-88
max

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 5/17/89
UNLESS DRILLING UNDERWAY

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Jerry W. Long Title Agent for BHP Date November 16, 1988
(This space for State Use)

Original Signed By

Mike Williams

APPROVED BY _____ TITLE _____ DATE NOV 17 1988

CONDITIONS OF APPROVAL, IF ANY:

**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

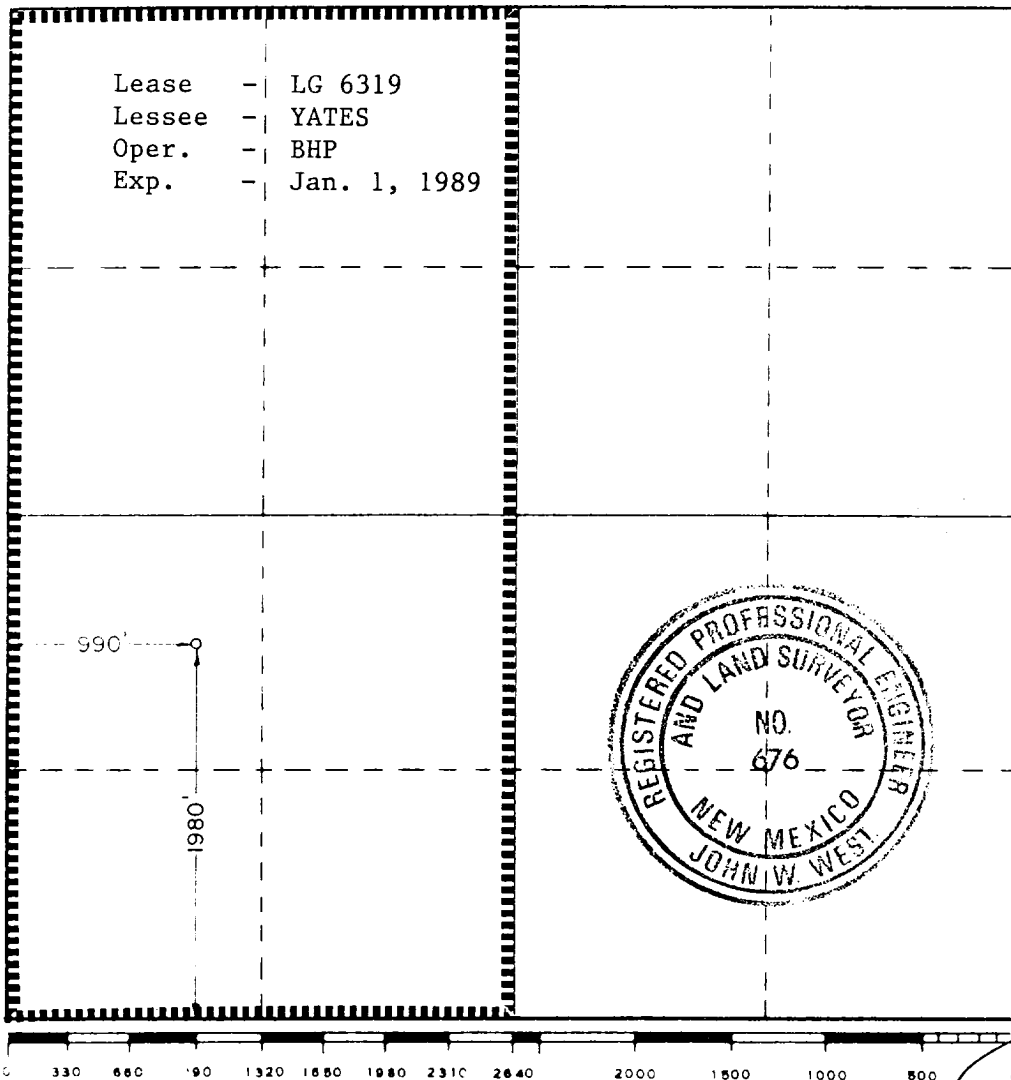
Operator Company Inc. <i>BHP Petroleum (Americas)</i>			Lease Yates 36 State		Well No. 1
Section 36	Township 10 South	Range 26 East	County Chaves		
Actual Portage Location of Well:					
1980	feet from the South	line and 990	feet from the West	line	
Ground Level Elev. 3706.6	Producing Formation Montoya	Pool Wildcat <i>Montoya</i>	Dedicated Acreage: (W$\frac{1}{2}$) 320 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). **Single Lease**
- 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 **NA**

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.

Jerry W. Long
Name
JERRY W. LONG
Position

Agent for BHP

Company
BHP PETROLEUM COMPANY INC.

Date
Nov. 16, 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 and belief.

Date Surveyed
Nov. 15, 1988

Registered Professional Engineer
and/or Land Surveyor

John W. West

Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239

SUPPLEMENTAL DATA

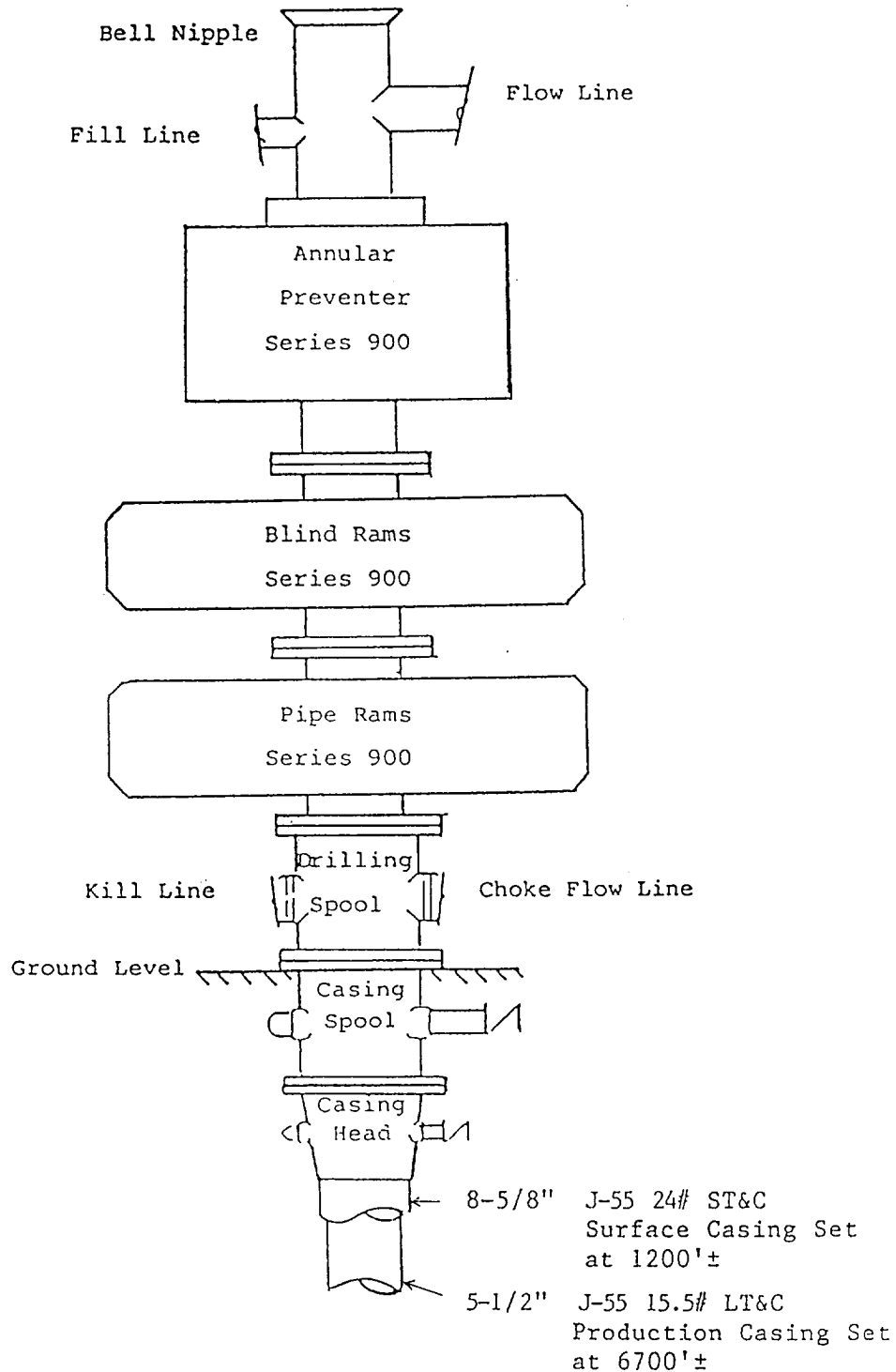
BHP PETROLEUM COMPANY INC.
No.1 Yates "36" State
1980'FSL 990'FWL Sec.36-10S-26E
Chaves County, N.M.

State Lease LG 6319

The following items supplement the information on Form C-101.

1. PRESSURE CONTROL EQUIPMENT: Pressure control equipment will include a 3000#WP blowout preventer stack with a Series 900 annular preventer and Series 900 blind and pipe rams. The BOP stack will include a kill line and choke manifold tested to 2000 psi. BOP hydraulic controls will be operated at least daily. Mud weight will be monitored to control bottom hole pressure. A kelly cock will be installed on the kelly joint and full opening safety valve will be available on the rig floor. A diagrammatic sketch of the BOP stack is attached.
2. SURFACE DAMAGES: The well and access road are located on State surface leased by LA Ranch Partnership. Mr. David Carpenter, partner, has been consulted regarding surface disturbance. A surface damage settlement will be negotiated with Mr. Carpenter.
3. An Archaeological survey was conducted by Eastern New Mexico University to assure that the proposed operations will not adversely impact cultural resources. The archaeological report will be filed under separate cover.

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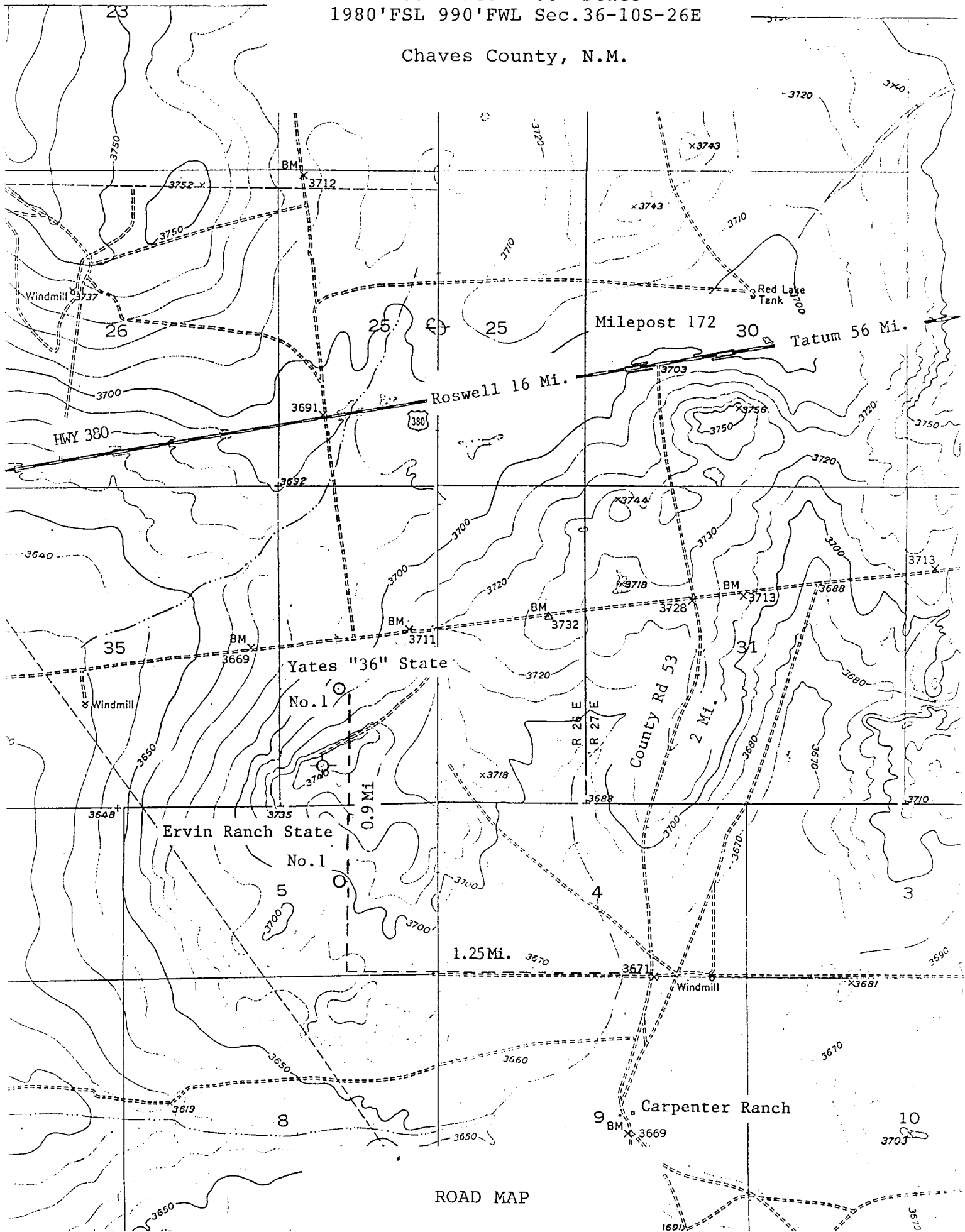


BLOWOUT PREVENTER STACK
3000#WP

Rams Operated Daily

BHP PETROLEUM COMPANY . C.
No.1 Yates "36" State
1980' FSL 990' FWL Sec.36-10S-26E

Chaves County, N.M.



ROAD MAP