

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

RECEIVED

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, New Mexico 88210

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

At surface

1980 FNL & 660' FNL

At proposed prod. zone

Same

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

Approximately 28 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.

16. NO. OF ACRES IN LEASE

866.14

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160.00

19. PROPOSED DEPTH

4400'

20. ROTARY OR CABLE TOOLS

Rotary

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

3704.5 GL.

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

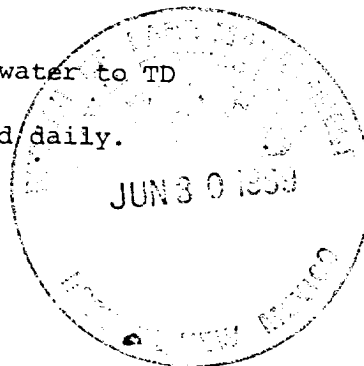
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	10 3/4"	40.5 #J-55	950	750 sachs circulated
7 7/8"	4 1/2"	9.5#	TD	300 sachs circulated

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 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 3500', Brine/KCL water to TD

BOP PROGRAM: BOP's will be installed at the offset and tested daily.

POST ID-1
N&API
8-11-89



Not 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

Ken Beaulieu

TITLE

Landman

DATE

June 29, 1989

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

S/Phil Kirk

Area Manager

AUG 4 1989

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

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 OPERATIONS THEREON.

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.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

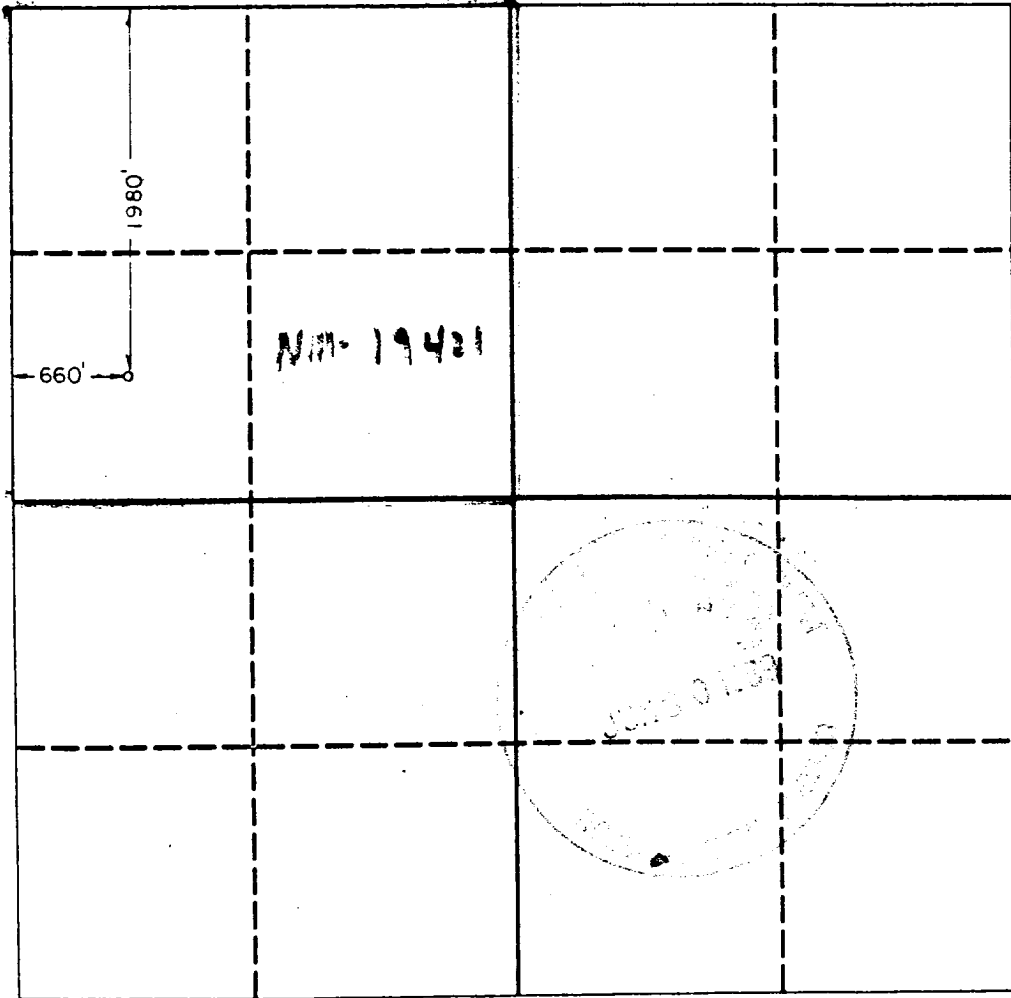
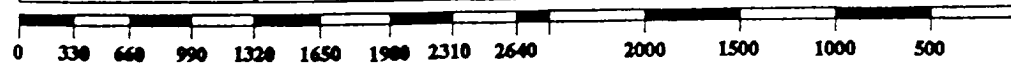
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Branas Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease CATTERSON "SS" FEDERAL		Well No. 4
Unit Letter E	Section 7	Township 7 South	Range 26 East	County Chaves	
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line					
Ground level Elev. 3704.5	Producing Formation Abo	Pool Pecos Slope Abo	Dedicated Acreage: 160 Acres		
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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 interest, has been approved by the Division.</p>					
			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Ken Beardempfl</i> Printed Name: KEN BEARDEMPFL Position: LANDMAN Company: YATES PET. Corp. Date: 6-28-89		
			SURVEYOR CERTIFICATION 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: 6/22/89 Signature: <i>Herschel Jones</i> Professional Surveyor State of New Mexico Certificate No. 2640 REGISTERED LAND SURVEYOR		
					

YATES PETROLEUM CORPORATION

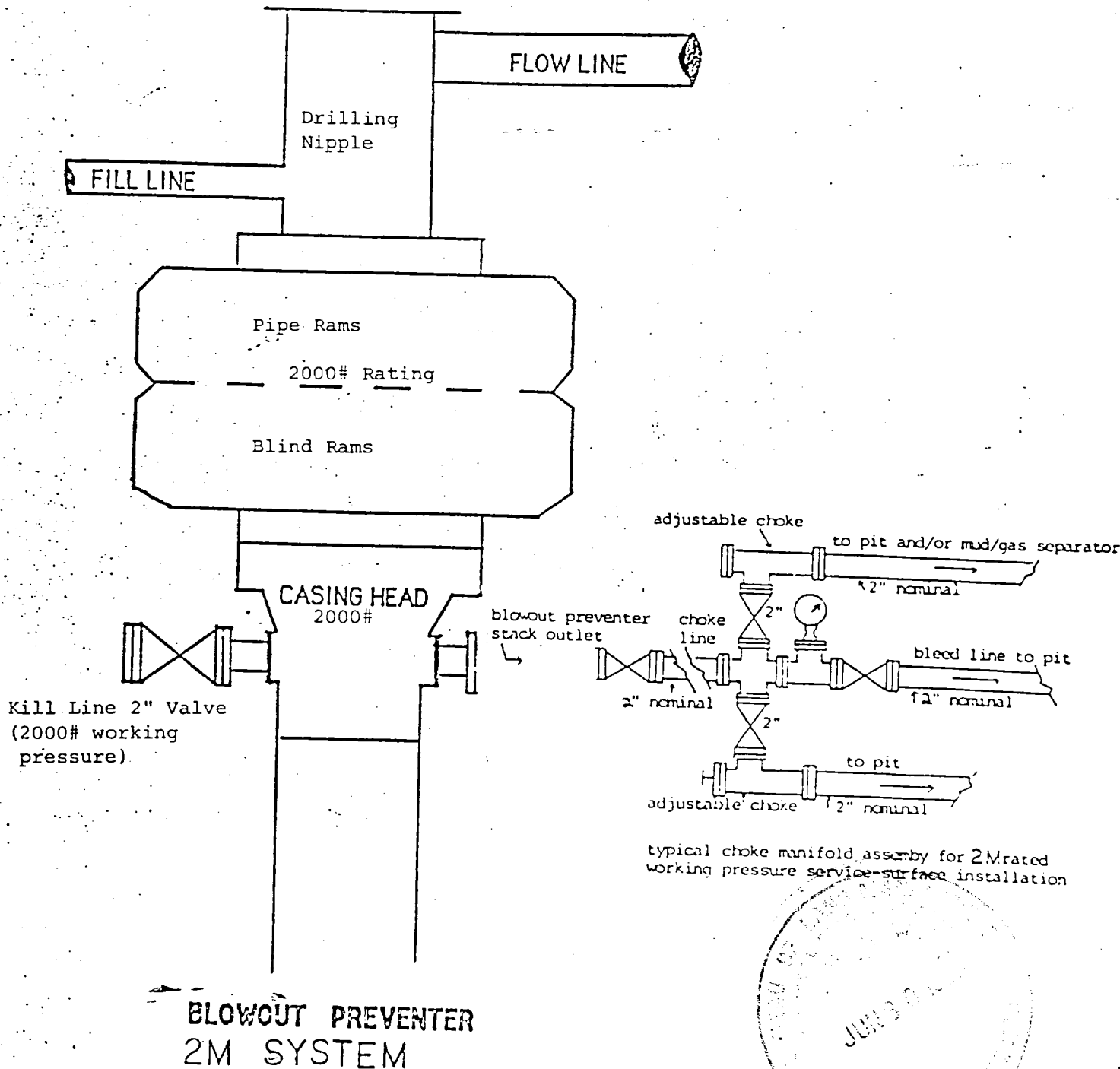


EXHIBIT D

YATES PETROLEUM CORPORATION
Catterson "SS" Federal #4
1980' FNL and 660' FWL of
Section 7-T7SR26E
Chaves County, New Mexico

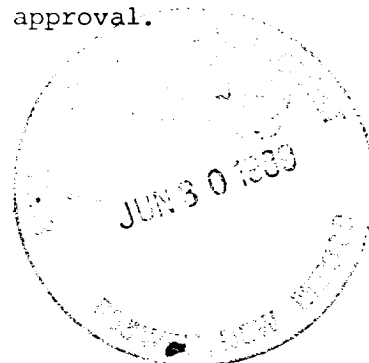
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

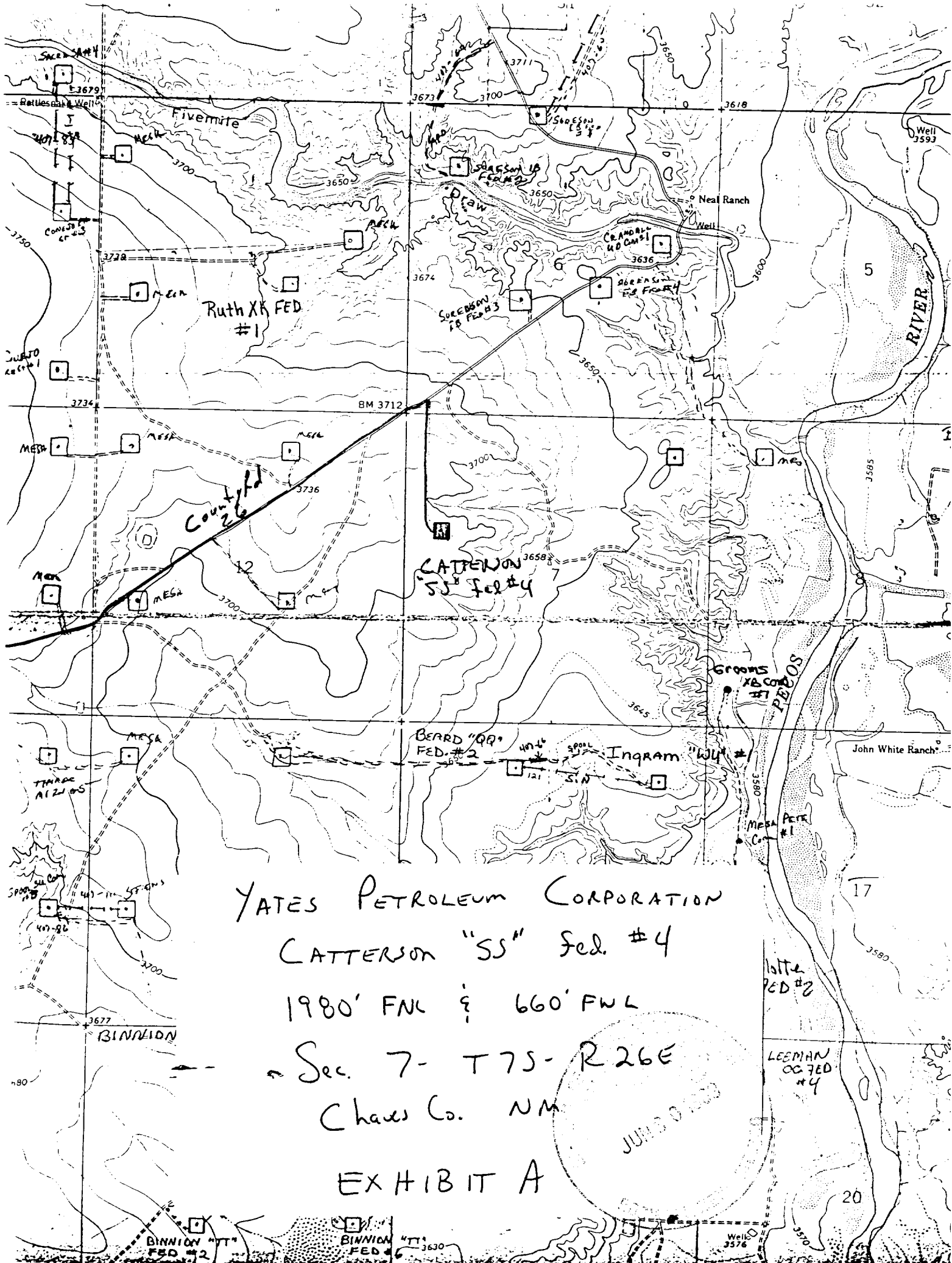
1. The geological surface formation is Sandy alluvium.
2. The estimated tops of geologic markers are as follows:

San Andres	478'
Glorieta	1448'
Tubb	3025'
Abo	3643'
TD	4400'
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 3643'
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 TD to csg w/GR-CNL to surface, DLL from TD to csg.
Samples: 10' samples out from under 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

CATTERSON "SS" Fed. #4

1980' FNL & 660' FWL

Sec. 7- T75- R26E

Chavez Co. NM

EXHIBIT A

YATES PETROLEUM CORP.

Exhibit C

