

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-36724
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME 12712
2. NAME OF OPERATOR YATES PETROLEUM CORPORATION 25575		7. UNIT AGREEMENT NAME Salt Creek Unit #14
3. ADDRESS AND TELEPHONE NO. 105 South Fourth Street, Artesia, New Mexico 88210		8. FARM OR LEASE NAME, WELL NO. ----
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FNL and 1980' FWL, Unit C At proposed prod. zone		9. AP WELL NO. #X 30-005-63066
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 23 miles northwest of Roswell, New Mexico		10. FIELD AND POOL, OR WILDCAT West Pecos Slope Abo
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 20-T8S-R22E
16. NO. OF ACRES IN LEASE 10,000		12. COUNTY OR PARISH Chaves
17. NO. OF ACRES ASSIGNED TO THIS WELL 160		13. STATE NM
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		20. ROTARY OR CABLE TOOLS Rotary
19. PROPOSED DEPTH 3850'		22. APPROX. DATE WORK WILL START* ASAP
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4125' GR		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	950'	750 sacks-Circulated
7 7/8"	5 1/2"	15.5#	TD	300 sacks

Post FD-1
4-21-95
New LK & API

Yates Petroleum Corporation proposes to drill and test the Abo and intermediate formations. Approximately 950' of surface casing will be set and cement circulated. 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 2400'; SW Gel/Starch/KCL to TD.

BOPE PROGRAM: BOPE will be installed on the 8 5/8" casing and tested daily for operational.

GAS NOT DEDICATED

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

DIST. 2

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 2-17-95
(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval 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.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-005-63066		2 Pool Code 82740		3 Pool Name West Pecan Slope, ABQ, West (GAS)		
4 Property Code		5 Property Name SALT CREEK UNIT			6 Well Number 14	
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 4125	

10 Surface Location

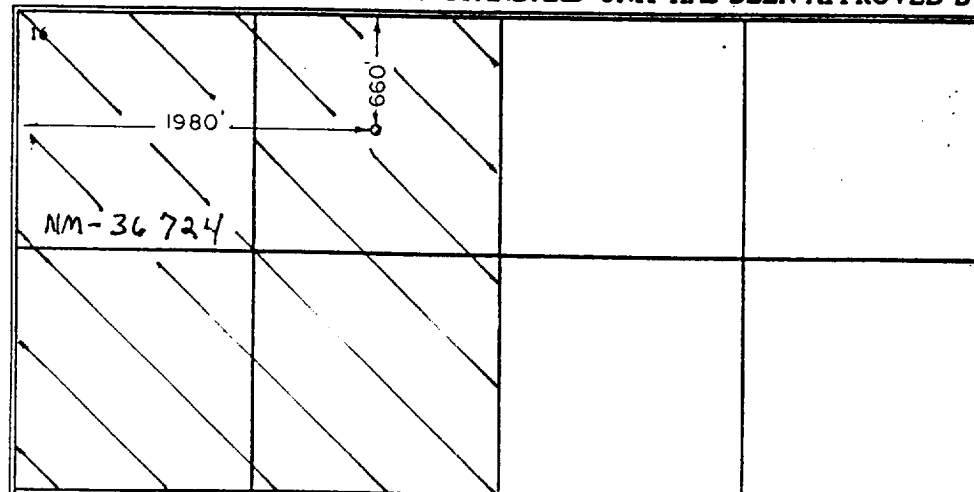
UL or lot no. C	Section 20	Township 8 S	Range 22 E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1980	East/West line WEST	County CHAVES
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>Clifton R. May</u> Printed Name: <u>Clifton R. May</u> Title: <u>Permit Agent</u> Date: <u>2-17-95</u>	
				18 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 belief. Date of Survey: <u>1/18/95</u> Signature and Seal of Professional Surveyer: <u>[Signature]</u> Certificate Number: <u>3640</u>	

YATES PETROLEUM CORPORATION

Salt Creek Unit #14
660' FNL and 1980' FWL
Section 20-T8S-R22E
Eddy County, New Mexico

Exhibit B

