

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUL - 5 1996

FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

DIST. 2

b. TYPE OF WELL

OIL WELL ☐GAS WELL ☐OTHER ☐SINGLE ZONE ☐MULTIPLE ZONE ☐

2. NAME OF OPERATOR

YATES PETROLEUM CORPORATION

3. ADDRESS AND TELEPHONE NO.

105 South Fourth Street, Artesia, NM 88210 (505) 748-1471

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

At surface

2310' FSL and 1300' FWL

At proposed prod. zone

Same

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

Approx. 44 miles north and east of Roswell, NM

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)

18. DISTANCE FROM PROPOSED LOCATION*

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

16. NO. OF ACRES IN LEASE

1360

19. PROPOSED DEPTH

4100'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

3763' GR

22. APPROX. DATE WORK WILL START*

July 1996

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" J-55	48#	800'	700 SX
* 12 1/4"	8 5/8" J-55	24#	1600'	300 SX
7 7/8"	4 1/1" J-55	10.5#	TD	350 SX

Yates Petroleum Corporation proposes to drill and test the Abo and intermediate formations. Approx. 800' of surface casing will be set and cement circulated to the surface. (*If lost circulation is encountered 8 5/8" intermediate casing will be set to approx. 1600'. Hole size would then be reduced to 7 7/8".) If commercial, production casing will be ran and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW Gel/LCM 0-800'; Cut Brine 800' - 3600'; SW Gel/Starch/Oil 3600' to TD.

BOPE PROGRAM: BOPE will be installed on the 13 3/8" 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 OR PAD WITHOUT PAYMENT
IN ADVANCE.

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

Regulatory Agent

DATE

6-10-96

(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

T. R. Keagan

TITLE

Area Manager

DATE

6/12/96

*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

API Number		Pool Code		Pool Name PECOS SLOPE Abo			
Property Code		Property Name RED ROCK "NB" FEDERAL				Well Number 7	
OGRID No. 025575		Operator Name YATES PETROLEUM CORPORATION				Elevation 3763	

¹⁰ Surface Location

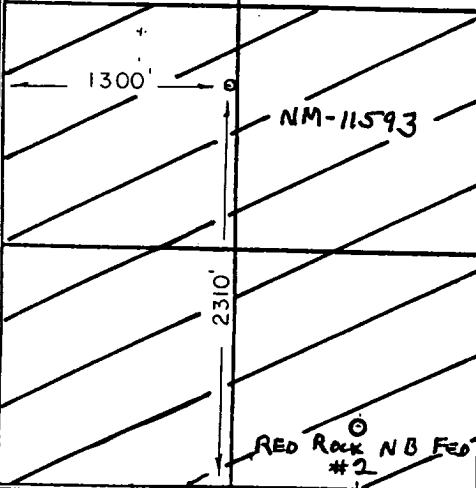
UL or lot no. M	Section 28	Township 6S	Range 25E	Lot Idn	Feet from the 2310	North/South line SOUTH	Feet from the 1300	East/West line WEST	County CHAVES
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¹¹ Bottom Hole Location If Different From Surface

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

<div>16</div> 	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Clifton R. May</i> Signature Clifton R. May Printed Name Regulatory Agent Title 6-10-96 Date</p>	
	<div>18 SURVEYOR CERTIFICATION</div> <p>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.</p> <p>5/07/96 Date of Survey WHERSCHELL JONES Signature and Seal of Registered Surveyor NEW MEXICO 3640 REGISTERED PROFESSIONAL SURVEYOR Certificate Number</p>	

YATES PETROLEUM CORPORATION

Red Rock NB Fed. #7
2310' FSL and 1300' FWL
Sec. 28-T6S-R25E
Chaves County, New Mexico

Exhibit B

