N. M. Oil Cons. Division
811 S. 1ST ST
ARTESIA, NM 88210-2834

RECEIVED
OCD ARTESIA

Form 3160-3
(August 1999)

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

	Lease Serial No. NM-54991
	6. If Indian, Allottee or Tribe Name
1a. Type of Work: [X] DRILL [ ] REENTER	7. If Unit or CA Agreement, Name and No. 12313
1b. Type of Well: [ ] Oil Well [X] Gas Well [ ] Other [ ] Single Zone [ ] Multiple Zone	8. Lease Name and Well No. Getty PS 18 Federal #4
2. Name of Operator YATES PETROELUM CORPORATION 25575	9. API Well No. 30-005-63289
3a. Address 105 South Fourth St., Artesia, NM	3b. Phone No. *(include area code)* 505-748-1471
	10. Field and Pool, or Exploratory Pecos Slope Abo
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface 660' FNL & 1980' FWL At proposed prod. zone Same as above Unit C	11. Sec., T., R., M., or Blk. and Survey or Area Section 18-T6S-R26E
14. Distance in miles and direction from nearest town or post office* Approximately 40 miles Northeast of Roswell, NM	12. County or Parish Chaves County / 13. State NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 660'	16. No. of Acres in lease 468.61 / 17. Spacing Unit dedicated to this well NW/4
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1300'	19. Proposed Depth 4250' / 20. BLM/BIA Bond No. on file 585997
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3727' GL	22. Approximate date work will start* ASAP / 23. Estimated duration 15 days

24. Attachments **ROSWELL CONTROLLED WATER BASIN**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature Cy Cowan	Name *(Printed/Typed)* Cy Cowan	Date 6-9-00
Title Regulatory Agent		
Approved by *(Signature)* /S/LARRY D. BRAY	Name *(Printed/Typed)*	Date OCT 0 2 2000
Title Assistant Field Manager, Lands And Minerals	Office ROSWELL FIELD OFFICE	APPROVED FOR 1 YEAR

Application approval does not warrant or certify the 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, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on reverse)

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS

Notify OCD at SPUD & TIME to witness cementing the 8 5/8" casing.

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

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
		Pecos Slope Abo

Property Code	Property Name	Well Number
	GETTY "PS" 18 FEDERAL	4

OGRID No.	Operator Name	Elevation
025575	YATES PETROLEUM CORPORATION	3727

Surface Location

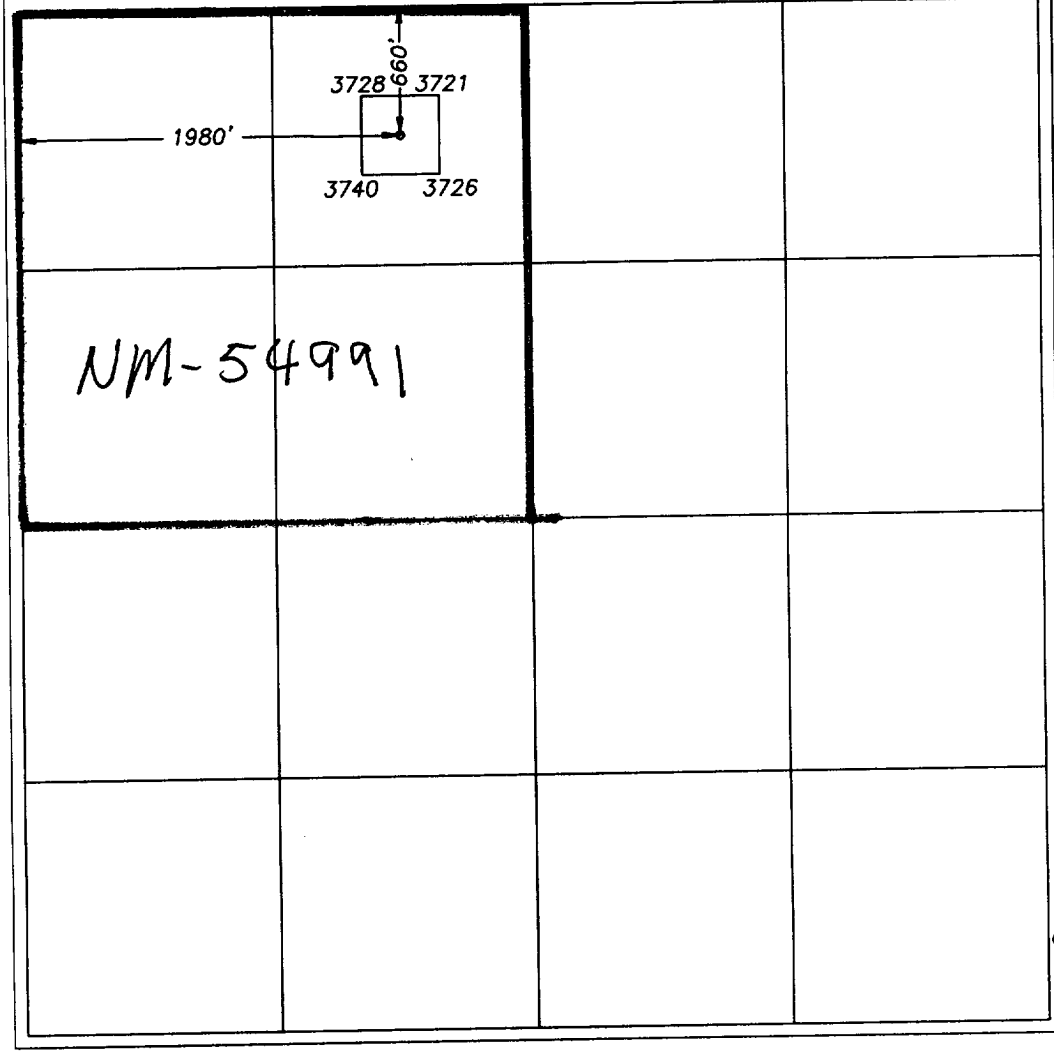
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	18	6S	26E		660	NORTH	1980	WEST	CHAVES

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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160.00			

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



OPERATOR CERTIFICATION

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

Signature

Cy Cowan
Printed Name

Regulatory Agent
Title

6-9-00
Date

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 supervison, and that the same is true and correct to the best of my belief.

12/01/99
Date Surveyed

Signature & Seal of Professional Surveyor

RONALD L. JONES
NEW MEXICO
3640
REGISTERED PROFESSIONAL SURVEYOR

Certificate No. Ronald L. Jones RLS 3640

GETTY 4 DISK 17
GENERAL SURVEYING COMPANY

MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
GETTY PS 18 FEDERAL #4
660' FNL and 1980' FWL
Section 18,T6S-R26E
Chaves County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the magnitude of the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal can be made of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of the BLM map showing the well and roads in the vicinity of the proposed location. The proposed wellsite is located approximately 40 miles northeast of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go north of Roswell on Highway 285 for approximately 23 miles to Cottonwood Road. Turn east and follow road approximately 14.3 miles to Roosevelt Road. Turn north for approximately 2.9 miles. Turn east on lease road and go approximately 500 feet. New access will start her going south.

2. PLANNED ACCESS ROAD:

A. The proposed new access will be approximately 600' in length from the point of origin to the northeast corner of the drilling pad. The road will lie in a(n) north to south direction.
B. The new road will be 14 feet in width (during surface) and will be adequately drained to control runoff and soil erosion.
C. The new road will be bladed with drainage on both sides. No traffic turnouts will be built.
D. The route of the road is visible.
E. Existing roads will be maintained in the same or better condition.

3. LOCATION OF EXISTING WELL

A. There is drilling activity within a one-mile radius of the wellsite.
B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. There are production facilities on this lease at the present time.
B. In the event that the well is productive, the necessary production facilities will be installed on the drilling pad. If the well is productive oil, a gas or diesel self-contained unit will be used to provide the necessary power. No power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY:

   A. It is planned to drill the proposed well with a fresh water system. The water will be obtained from commercial sources and will be hauled to the location by truck over the existing and proposed roads shown in Exhibit A.

6. SOURCE OF CONSTRUCTION MATERIALS:

   The dirt contractor will be responsible for finding any surfacing materials needed and will obtain any permits that may be needed for construction.

7. METHODS OF HANDLING WASTE DISPOSAL:

   A. Drill cuttings will be disposed of in the reserve pits.
   B. Drilling fluids will be allowed to evaporate in the reserve pits until the pits are dry.
   C. Water produced during operations will be collected in tanks until hauled to an approved disposal system, or separate disposal application will be submitted.
   D. Oil produced during operations will be stored in tanks until sold.
   E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
   F. All trash, junk, and other waste materials will be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary land fill. Burial on site is not approved.

8. ANCILLARY FACILITIES: None

9. WELLSITE LAYOUT:

   A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, and the access road approach. Above ground pipeline on the location will be moved during construction
   B. The reserve pits will be plastic lined.
   C. A 400' x 400' area has been staked and flagged.
   D. Pad will be rotated with the pits to the north.

10. PLANS FOR RESTORATION

   A. After finishing drilling and/or completion operations, all equipment and other material not needed for further operations will be removed. The location will be cleaned of all trash and junk to leave the wellsite in as aesthetically pleasing a condition as possible.
   B. Unguarded pits, if any, containing fluids will be fenced until they have dried and been leveled.
   C. If the proposed well is non-productive, all rehabilitation and/or vegetation requirements of the Bureau of Land Management will be complied with and will be accomplished as expeditiously as possible. All pits will be filled level after they have evaporated and dried.

11. SURFACE OWNERSHIP: Private surface owned by Corn Brothers, Inc., Roswell, New Mexico.

12. OTHER INFORMATION:

A. Topography: Refer to the existing archaeological report for a description of the topography, flora, fauna, soil characteristics, dwellings, historical and cultural sites.
B. The primary surface use is for grazing.

13. OPERATOR'S REPRESENTATIVE

A. Through A.P.D. Approval:

Cy Cowan, Regulatory Agent
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

B. Through Drilling Operations, Completions and Production:

Brian Collins, Operations Manager
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505) 748-1471

14. CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge, true and correct; and , that the work associated with the operations proposed herein will be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

6/16/00

Regulatory Agent

YATES PETROLEUM CORPORATION
GETTY PS 18 FEDERAL #4
660' FNL AND 1980' FWL
Section 18,-T6S-R26E
Chaves County, New Mexico

1. The estimated tops of geologic markers are as follows:

San Andres	590'
Glorieta	1590'
Yeso	1640'
Tubb	3040'
Abo	3715'
TD	4250'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	200'-300'
Oil or Gas:	3715' to 4250'

3. Pressure Control Equipment: BOPE will be installed on the 8 5/8" casing and rated for 2000# BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

   Auxiliary Equipment:

   A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment, and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

   A. Casing Program: (All New)

Hole Size	Casing	Size Wt./Ft	Grade	Coupling	Interval	Length
12 1/4"	8 5/8"	24#	J55	ST&C	0-~~900'~~ 925'	~~900~~ 925'
7 7/8"	4 1/2"	10.5#	J55	ST&C	0-4250'	4250'

WITNESS

1. Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.80
2. A 2,000 psi BOP will be nipped up on the 8 5/8" casing and tested to 500 psi. YPC requests a variance be granted in requiring the casing and BOPE to be tested to 2000 psi to testing the casing and BOPE to 500 psi. The rig pumps will be used to test the casing and BOPE. Rig pumps used in this area cannot safely test above 500 psi. We would have to go to the greater expense of hiring an independent service company to do the testing. Also, the bottom hole pressure in this field is proven to be near 500 psi due to depeletion. A shut in surface pressure would be less that 500 psi. The Abo formation usually requires stimulation before it flows. We feel that a 500 psi test will demonstrate that the BOPE is functioning properly, and in the unlikely event of a gas influx that the BOPE would be sufficient to control the well."

B. CEMENTING PROGRAM:
Surface casing: Cement with 200 sx Lite "C" (YLD 2.0, WT. 12.5). Tail in with 200 sx "C" + 2% CaCl2 (YLD 1.33, WT. 15.6).

Production Casing: TOC 3100'. Cement with 350 sx Super "C" (YLD 1.67, WT 13.0).

Note: Interval From 0- 1600' Cement through 1" tubing after rig is moved out. (YLD 1.67 WT .13)

5. Mud Program and Auxiliary Equipment:

Interval	Type	Weight	Viscosity	Fluid Loss
Spud - 900'	FW Gel/Paper/LCM	8.6-9.6	32-36	N/C
900' - 3690'	Brine	10.0-10.2	28	N/C
3690' to TD	Salt Gel/Starch/Oil/LCM	9.0-9.3	34-35	<10cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 20' samples out from surface casing to TD.
Logging: DLL/MSFL + DSN/SDL TD – surfacing casing; GR/DSN to surface.
Coring: Non anticipated.
DST's: None anticipated.

7. Abnormal Conditions, Bottom hole pressure and potential hazards:
Anticipated BHP:

From:	0	To:	900'	Anticipated Max. BHP:	400 PSI
From:	900'	To:	TD	Anticipated Max. BHP:	1100 PSI

Abnormal Pressures Anticipated: None

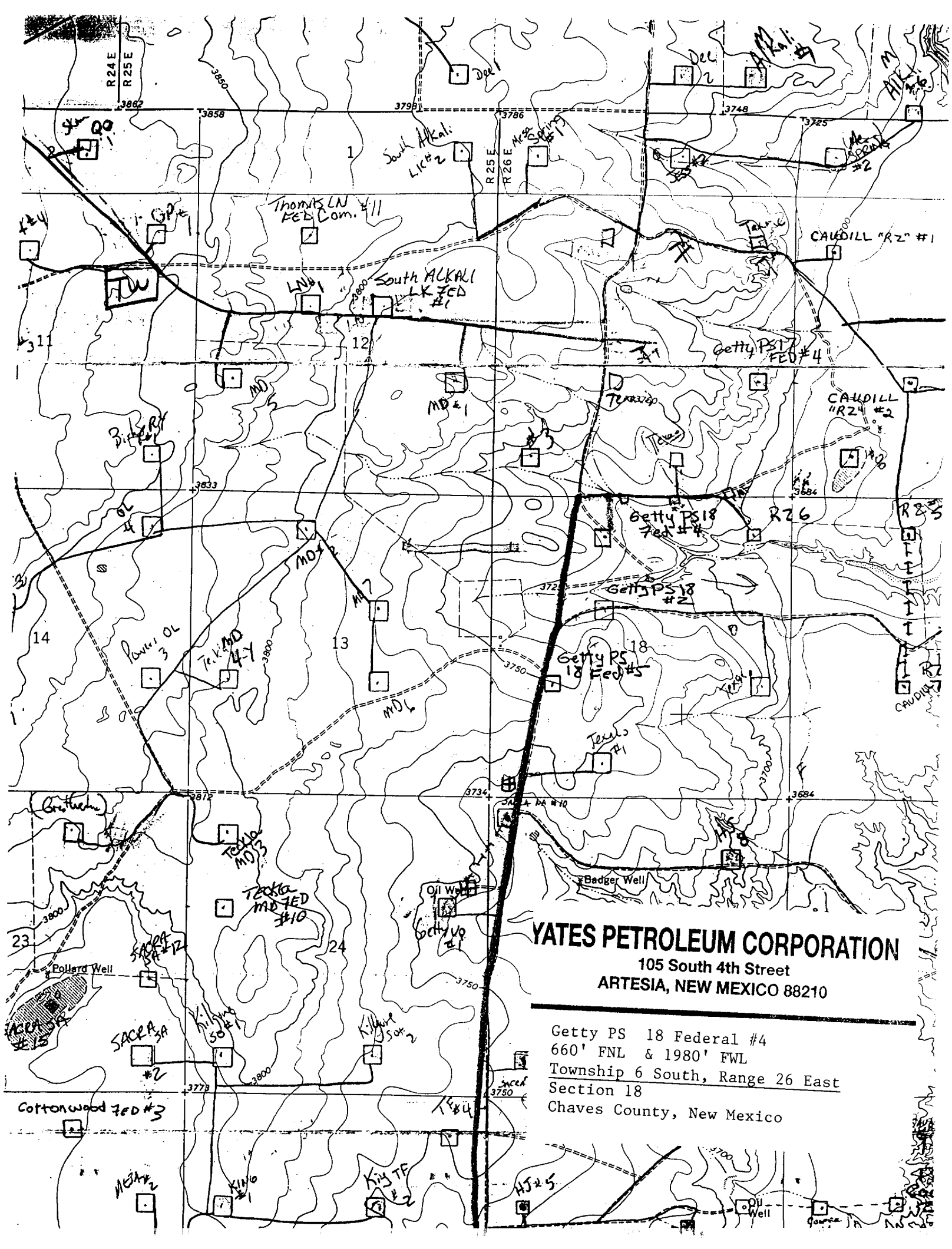
Lost Circulation zones anticipated: None

H2S Zones Anticipated: None

Maximum Bottom Hole Temperature: 110 F

8. ANTICIPATED STARTING DATE:

Plans are to drill this well as soon as possible after receiving approval. It should take approximately 15 days to drill the well with completion taking another 15 days.

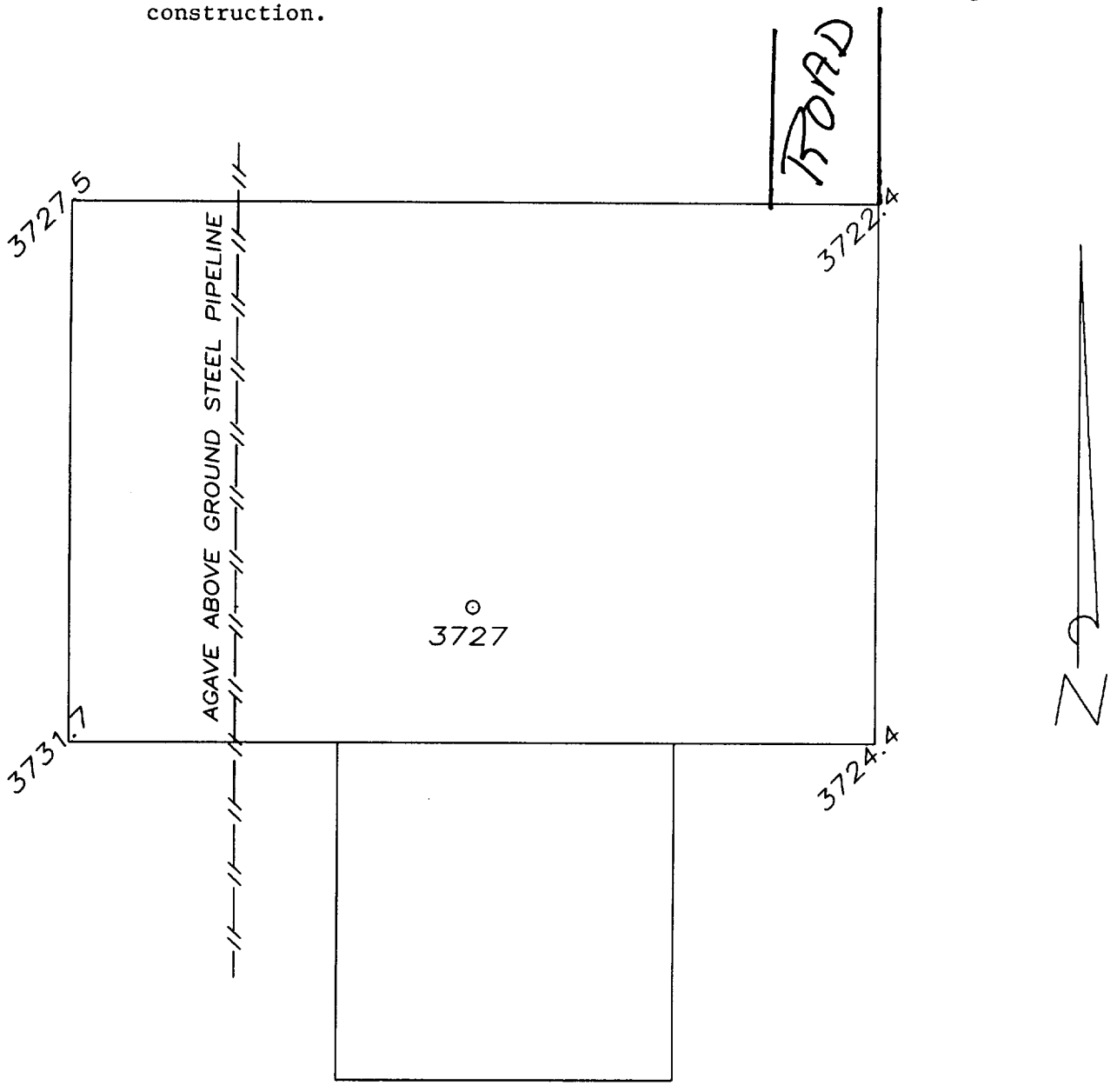


YATES PETROLEUM CORPORATION
105 South 4th Street
ARTESIA, NEW MEXICO 88210

Getty PS 18 Federal #4
660' FNL & 1980' FWL
Township 6 South, Range 26 East
Section 18
Chaves County, New Mexico

YATES PETROLEUM CORPORATION GETTY "PS" 18 FED.#4 660/N & 1980/W
SECTION 18, TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.

PLEASE NOTE: The above ground pipeline shown on plat will be moved during construction.



50' 0 50' 100'
Scale 1" = 50'

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT WAS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY DEPICTS THE RESULTS OF SAID SURVEY AND MEETS THE REQUIREMENTS OF THE STANDARDS FOR LAND SURVEYS IN NEW MEXICO AS ADOPTED BY THE NEW MEXICO STATE BOARD OF REGISTRATION FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS.

NEW MEXICO 3640 REGISTERED PROFESSIONAL LAND SURVEYOR

NEWSCHEL L. JONES R.L.S. No.3640

GENERAL SURVEYING COMPANY P.O. BOX 1928
LOVINGTON, NEW MEXICO 88260

YATES PETROLEUM CORP.

WELL PAD PLAN VIEW ON THE YATES GETTY "PS" 18 FEDERAL #4 LOCATED 660/N AND 1980/W OF SECTION 18, TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM, CHAVES COUNTY, NEW MEXICO.

Survey Date: 12/01/99		Sheet 1 of 1 Sheets	
Drawn By: Ed Blevins		W.O. Number	
Date: 12/01/99		Scale 1" = 50'	GETTY 4

PB - L1

Yates Petroleum Corporation

Location Layout for Permian Basin
Up to 12,000'

YATES PETROLEUM CORPORATION
105 South 4th Street
ARTESIA, NEW MEXICO 88210

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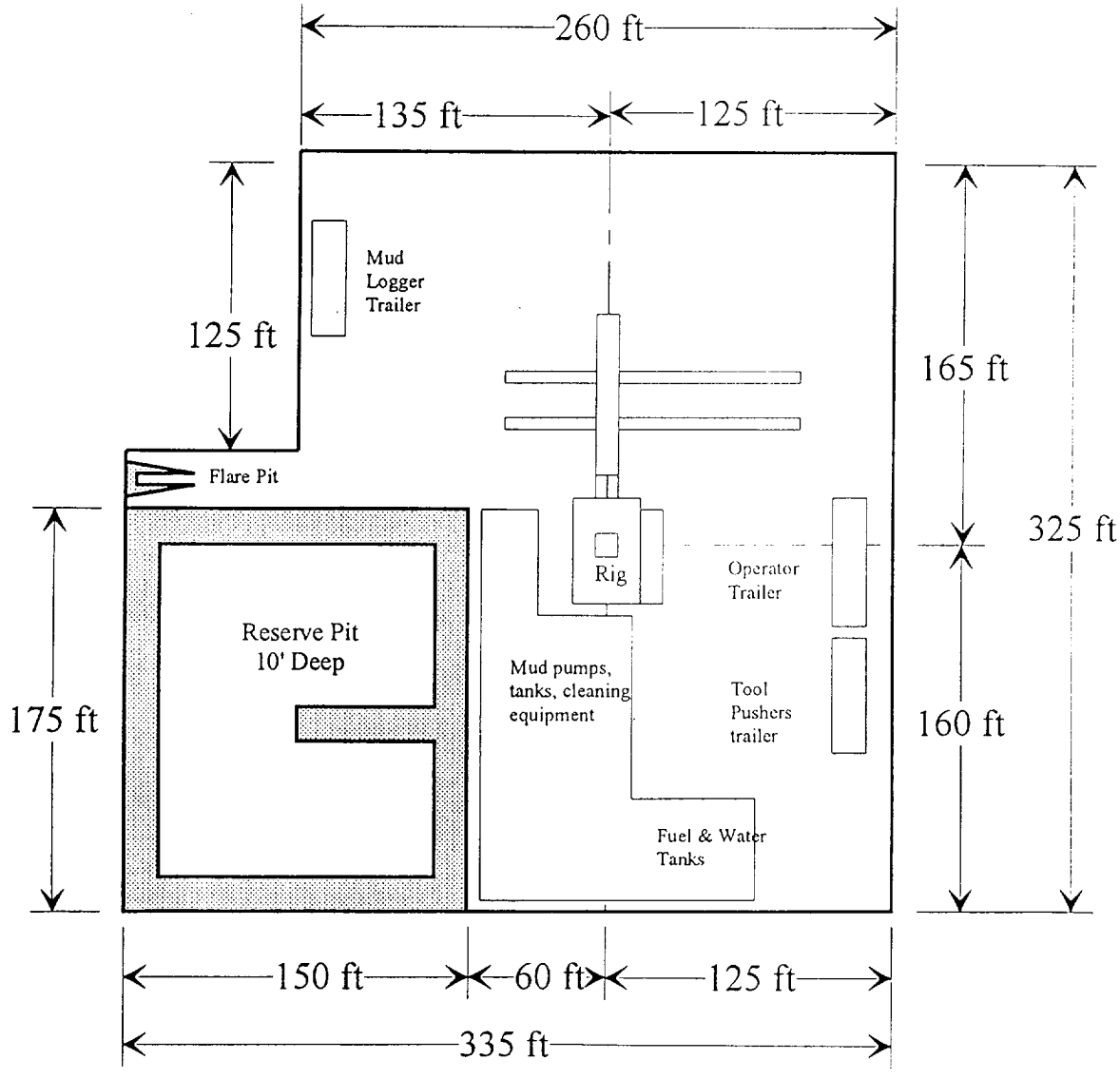


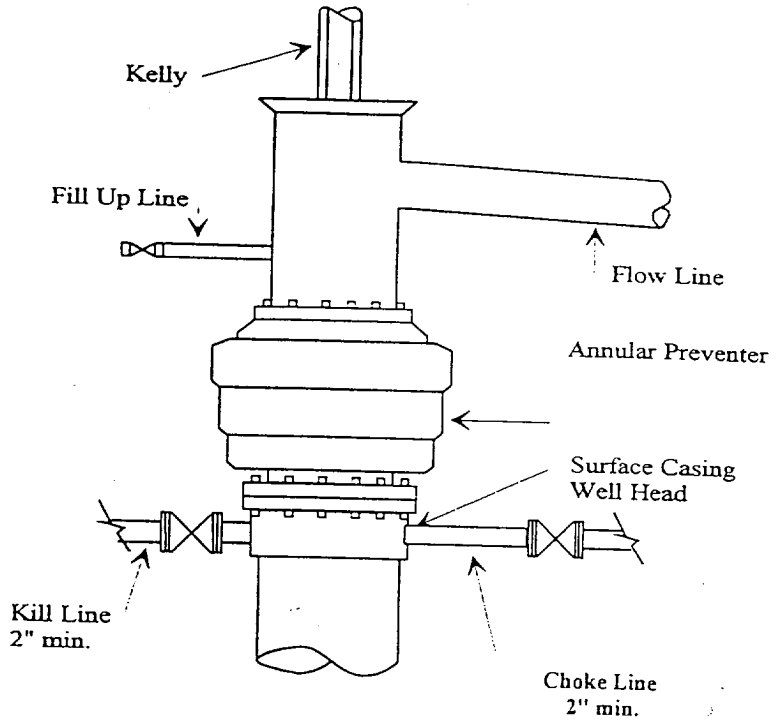
Distance from Well Head to Reserve Pit will vary between rigs

The above dimension should be a maximum

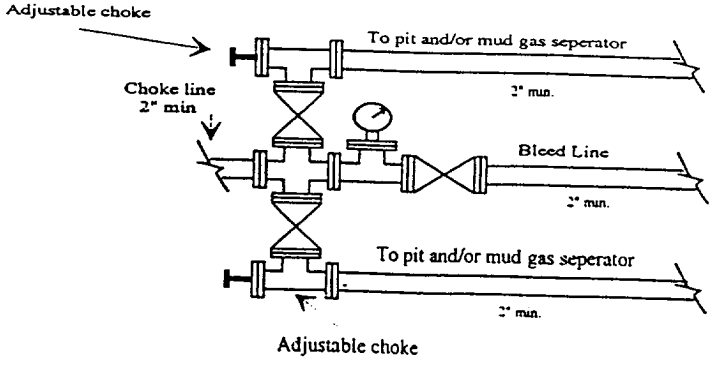
Yates Petroleum Corporation

BOP-1

Typical low Pressure System
Schematic
Annular Preventer 2,000 psi



Typical 2,000 psi choke manifold assembly with at least these minimun features



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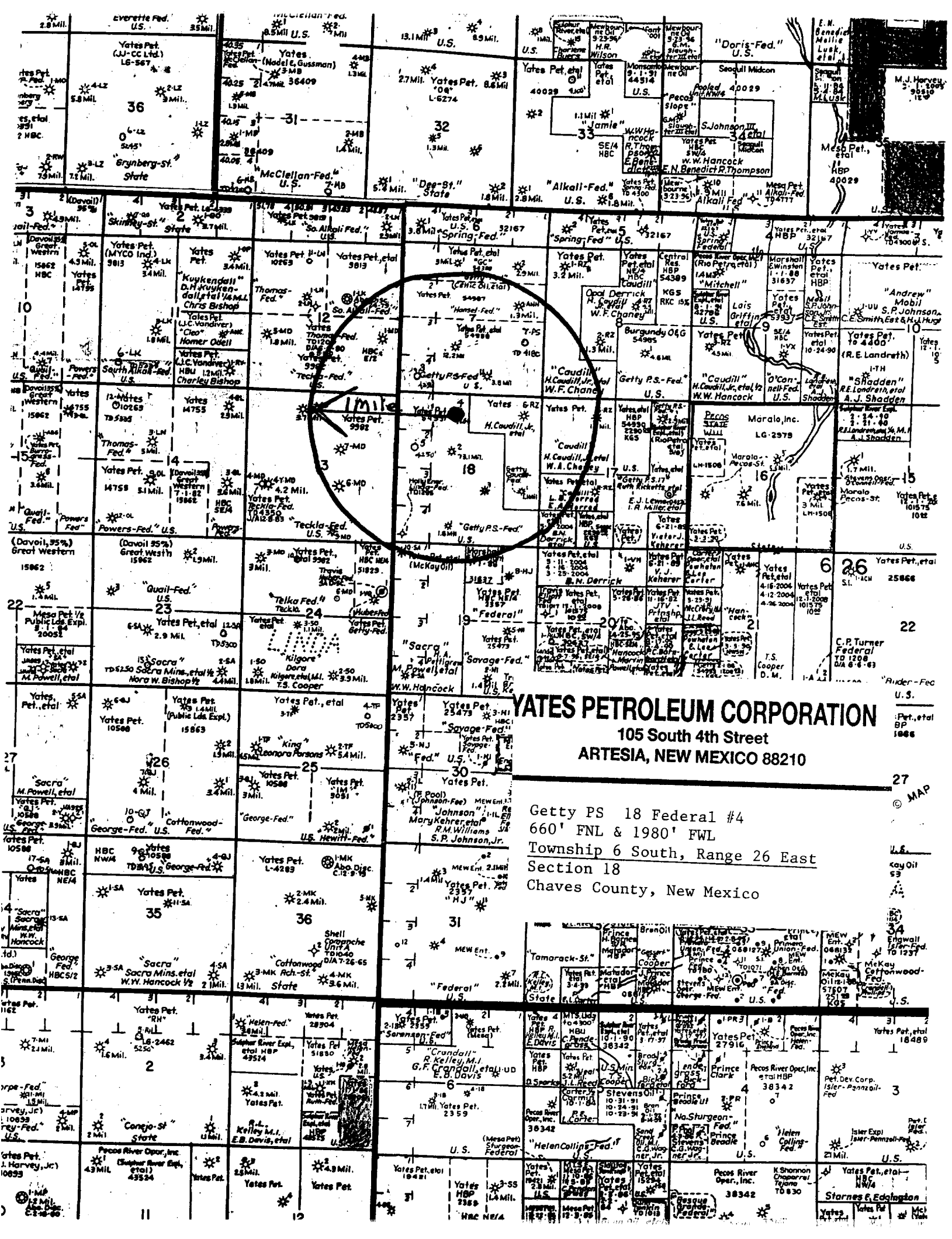
1 mile
YATES PETROLEUM CORPORATION
105 South 4th Street
ARTESIA, NEW MEXICO 88210
Getty PS 18 Federal #4
660' FNL & 1980' FWL
Township 6 South, Range 26 East
Section 18
Chaves County, New Mexico
© MAP