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P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

AUG 07 1981

O. C. D.  
ARTESIA, OFFICE

*Amended Location*

5A. Indicate Type of Lease  
STATE ☐ FEDERAL ☒  
5. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		7. Unit Agreement Name
b. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name Jackson Estate BY
2. Name of Operator Yates Petroleum Corporation		9. Well No. 12
3. Address of Operator 207 South 4th Street, Artesia, NM 88210		10. Field and Pool, or Wildcat Eagle Creek S.A.
4. Location of Well UNIT LETTER L LOCATED 1650' FEET FROM THE South LINE AND 330' FEET FROM THE West LINE OF SEC. 22 TWP. 17S RGE. 25E NMPM		17. County Eddy
19. Proposed Depth Approx. 1500		19A. Formation San Andres
20. Rotary or C.T. Rotary		
21. Elevations (Show whether Df, Rf, etc.) 3546 GL	21A. Kind & Status Plug. Bond Blanket	21B. Drilling Contractor L & M Drilling Co.
22. Approx. Date Work will start As soon as approved		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
15"	10 3/4"	32#	approx. 320'	350	circulate
9 1/2"	7"	20#	approx. 1150'	850	circulate
6 1/2"	4 1/2 & 5 1/2	10.5 & 15.5#	TD		circulate

Proposed to drill a San Andres test. Approximately 230' of 10 3/4" casing will be run if needed, and cemented to the surface to shut off surface gravel and cavings, 7" casing will be run 100' below the Artesian Zone, cemented to surface. A tapered string of production casing will be run and cemented, perforated and San frac'd for completion.

MUD PROGRAM: Fresh water mud w/LCM from surface to 1150' fresh water to total depth.

BOP PROGRAM: BOP's to be installed on 7" casing and tested daily.

APPROVAL VALID FOR 180 DAYS  
PERMIT EXPIRES 2-11-82  
UNLESS DRILLING UNDERWAY

IF 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 A. J. Cueva Title Regulatory Coordinator Date 8-7-81

(This space for State Use)

APPROVED BY W. A. Gressett TITLE SUPERVISOR, DISTRICT 1 DATE AUG 11 1981

CONDITIONS OF APPROVAL, IF ANY:

Cement must be circulated to surface behind all casing

Notify N.M.O.C.C. in writing at time to witness cementing the 7" casing

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.

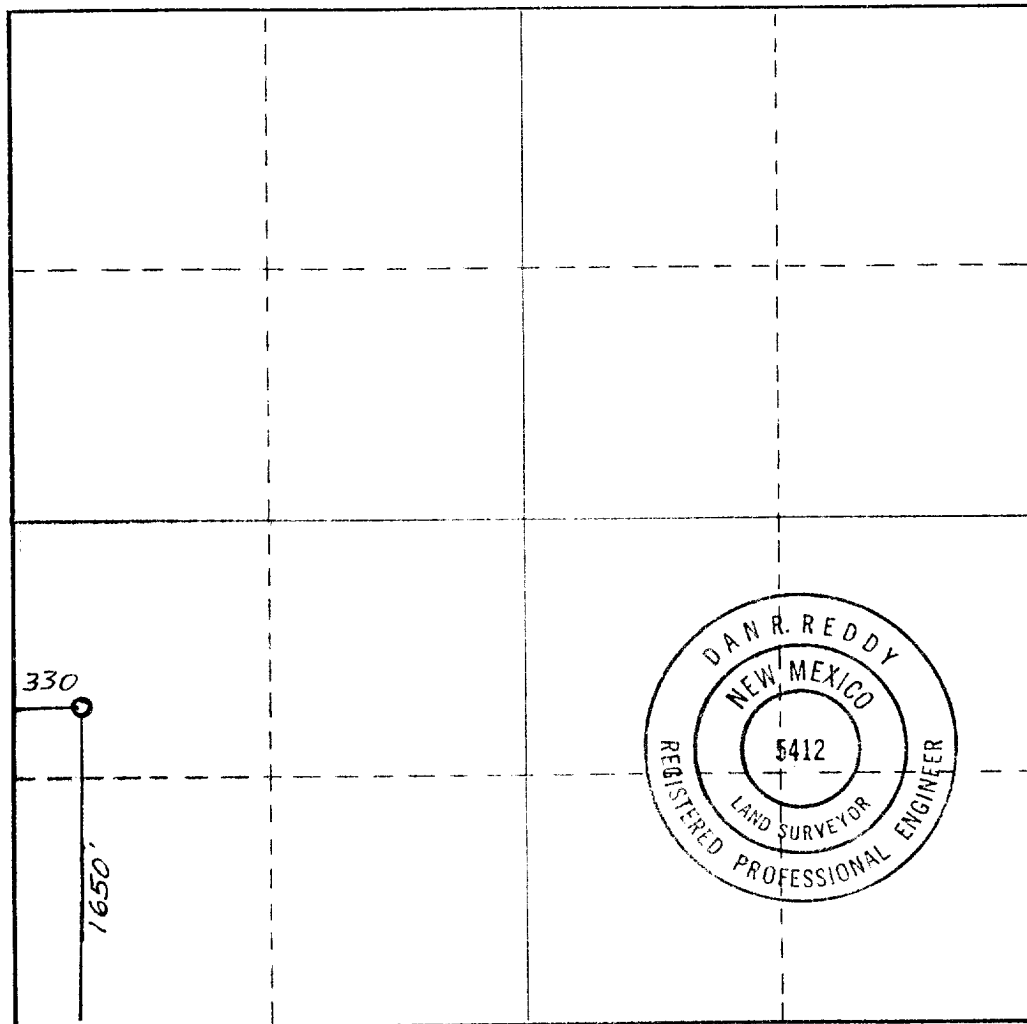
Operator <b>YATES PETROLEUM CORPORATION</b>		Lease <b>Jackson Estate BY</b>		Well No. <b>12</b>
Unit Letter <b>L</b>	Section <b>22</b>	Township <b>17 South</b>	Range <b>25 East</b>	County <b>Eddy</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>South</b> line and <b>330</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3546.</b>	Producing Formation <b>San Andres</b>	Pool <b>Eagle Creek SA</b>	Dedicated Acreage: <b>40</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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).
3. 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 \_\_\_\_\_

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.

Name  
**Cy Cowan**

Position  
**Regulatory Coordinator**

Company  
**Yates Petroleum Corp.**

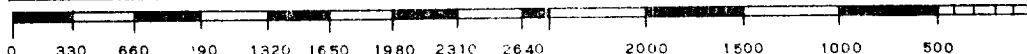
Date  
**8-7-81**

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.

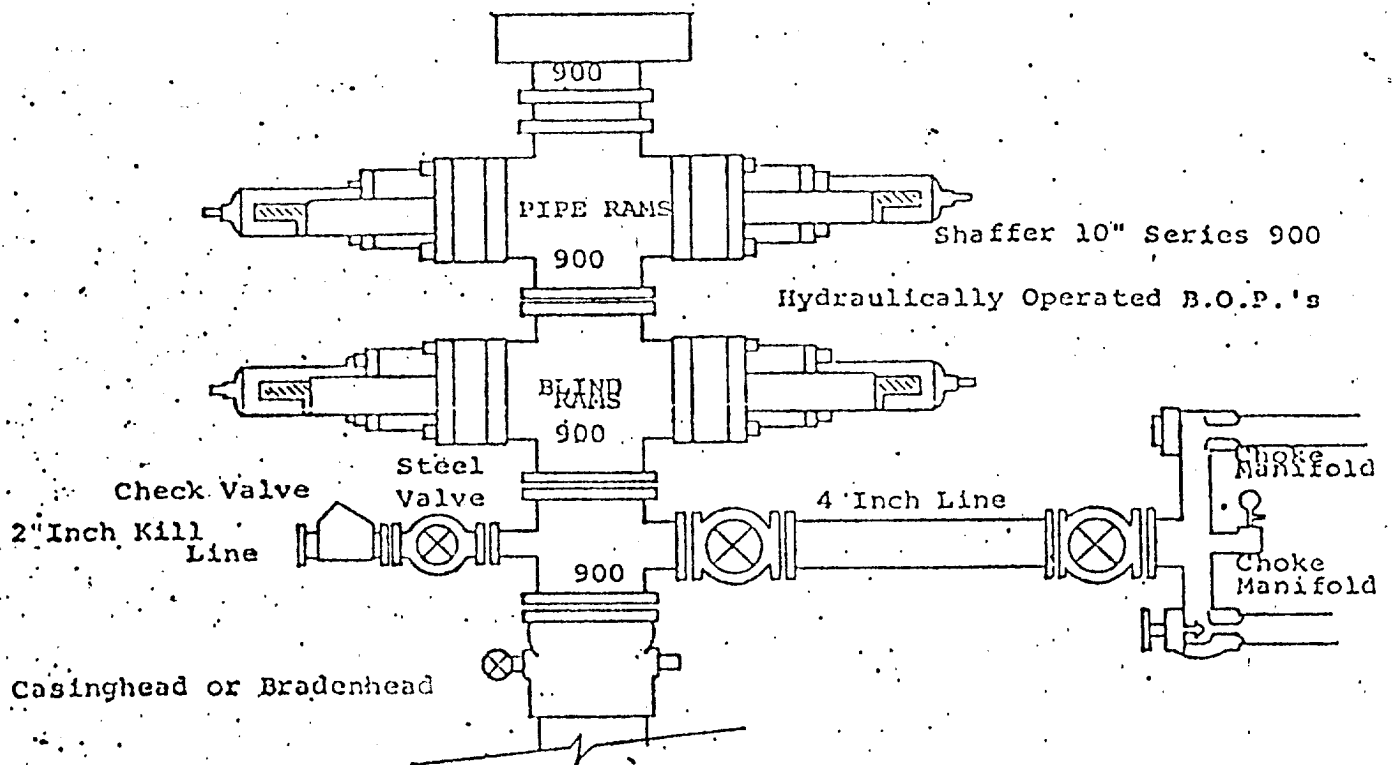
Date Surveyed  
**July 30, 1981**

Registered Professional Engineer and/or Land Surveyor

*Dan R. Reddy*  
Certificate No.  
**NM PE&LS #5412**



# Exhibit B



## THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 4" diameter.
3. Kill line to be of all steel construction of 2" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. hole or tube a minimum of one inch in diameter.
5. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
6. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
7. Inside blowout preventer to be available on rig floor.
8. Operating controls located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.
10. D. P. float must be installed and used below zone of first gas intrusion.