

N.M.O.C.D. COPY

Form 9-331 C  
(May 1963)SUBMIT IN TRIP  
(Other instructions on  
reverse side)Form approved.  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

a. 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

3. ADDRESS OF OPERATOR

207 South 4th Street, Artesia, New Mexico 88210

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

At surface

660' FNL and 660' FWL

At proposed prod. zone

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

Approx. 15 miles NE of Roswell, NM

15. DISTANCE FROM PROPOSED\*

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

660'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

Approx. 5000'

20. ROTARY OR CABLE TOOLS

Rotary

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

3733 GL

22. APPROX. DATE WORK WILL START\*

ASAP

## PROPOSED CASING AND CEMENTING PROGRAM

LEASE EXPIRES 4-1-81

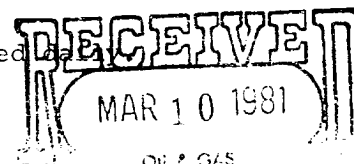
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	48# J-55	approx. 60'-80'	ready-mix
12 1/2"	8 5/8"	24# J-55	approx. 1000'	500 sx. circulate
8 3/4 or 7 7/8	5 1/2 or 4 1/2	15.5 or 10.5#	TD	250 sx.

We propose to drill and test the Abo and intermediate formations. Approximately 400' of surface casing will be set and cement circulated to shut off gravel and caving. Casing will be set 100' below the water zone. If commercial, 5 1/2 or 4 1/2 production casing will be run and cemented with an adequate cover, perforate and stimulate as needed for production.

MUD PROGRAM: FW gel and LCM to 1000', fresh water to 3750', KCL 8% cut brine to 4050' Salt gel, starch, drispak to TD. NM 8.7-9.0, Vis 34-39, WL 14-7.

BOP PROGRAM: BOP's will be installed on 8 5/8" casing and tested

GAS 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

APPROVED  
MAR 17 1981  
JAMES A. GILLHAM  
DISTRICT SUPERVISOR

TITLE

Geographer

DATE

3-9-81

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY  
CONDITIONS OF APPROVAL:

TITLE

DATE

**N MEXICO OIL CONSERVATION COMMISS**  
**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>STATES PETROLEUM CORPORATION</b>			Lease <b>FEIL "OI" Fe D.</b>		Well No. <b>1</b>
Post Letter <b>1</b>	Section <b>7</b>	Township <b>10 SOUTH</b>	Range <b>25 EAST</b>	County <b>CHAVES</b>	
Actual Footage Location of Well: <b>660</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line					
Ground Level Elev. <b>5733'</b>	Producing Formation <b>ABO</b>		Pool <b>UNDES ABO</b>		Dedicated Acreage: <b>160 151</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

	<p align="center"><b>CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Alfredo Rodriguez</i>              Name  <b>ALFREDO RODRIGUEZ</b>              Position  <b>GEOGRAPHER</b>              Company  <b>STATES PETROLEUM CORP</b>              Date  <b>MARCH 9, 1981</b></p> <p align="center"> </p> <p>Date Surveyed  <b>FEBRUARY 9, 1981</b></p> <p>Registered Professional Engineer              and/or Land Surveyor  <i>Alfredo Rodriguez</i>              Certificate No.  <b>3640</b></p>
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Yates Petroleum Corporation  
Feil "OI" Federal #1  
660' FNL and 660' FWL  
Section 7, T10S, R26E  
Chaves County, New Mexico

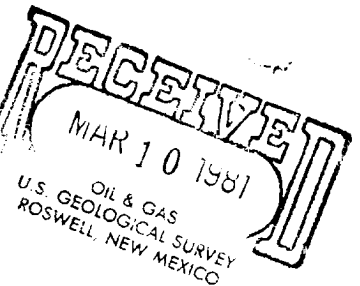
In conjunction with Form 9-331C, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with USGS requirements:

1. The geologic surface formation is sandy alluvium.
2. The estimate tops of geologic markers are as follows.

San Andres	758'
Glorieta	1958'
Permian	2021'
A.D.	4167'
T.D.	5000'
3. The estimated depths at which anticipated water, oil, or gas formations are expected to be encountered:

Water:	Approximately 150' - 280'
Oil or Gas:	4250'
4. Proposed Casing Program: See Form 9-331C.
5. Pressure Control Equipment: See Form 9-331C and Exhibit B.
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:

Samples:	Surface Casing to T.D.
DST's:	As Warranted
Logging:	Surface casing to T.D.
Coring:	CNL-FDC T.D. to casing with GR-CNL on to surface and DLL from T.D. to casing.
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



Yates Petroleum Corporation  
Feil "QI" Federal #1  
Section 7, T10S, R26E  
660' FNL and 660' FWL  
(Developmental Well)

This plan is submitted with Form 9-331C, Application for Permit to Drill, covering the above described well. The purpose of this plan is to describe the location, the construction activities and operations plan, the surface disturbance involved, and the procedures to be followed in rehabilitating the surface after completion of the operation, so that a completion appraisal can be made of the environmental effect associated with the drilling of this well.

1. EXISTING ROADS.

Exhibit A is a portion of a county map showing the roads in the vicinity of the proposed location. The proposed wellsite is located approximately 18 miles NE of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

1. Go east from Roswell on Highway 380 for approximately 14 miles then turn north and continue for 2 miles.
2. Turn north east for 1/4 mile then;
3. Turn north for 2½ miles, the location is on the right.
4. The location will be located next to existing road.

2. PLANNED ACCESS ROAD.

- A. There will be no new access road. Existing roads will be used.

3. LOCATION OF EXISTING WELL.

- A. There are existing wells within a mile of wellsite. These wells sites are shown on Exhibit A.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES.

- A. There are no 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 and proposed well with a fresh water system. The water will be obtained from commercial sources and well be hauled to the location by turck over existing roads.

6. SOURCE OF CONSTRUCTION MATERIALS.

- A. No material will be required for construction of the drilling pad.

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 to the USGS for appropriate approval.
- D. Oil produced during operation will be stored in tanks until sold.
- E. Current laws and regulations pertaining to the disposal of human waste will be complied with.
- F. Trash, waste paper, garbage and junk will be buried in a separate trash pit and covered with a minimum of 24 inches dirt. All waste material will be contained of prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wellsite within 30 days after finishing drilling and/or completion operations.

8. ANCILLARY FACILITIES.

- A. None required.

9. WELLSITE LAYOUT.

- A. Exhibit C shows the relative location and dimensions of the well pad, the reserve pits, etc.
- B. The location surface is on a very minor slope, little cut and fill will be needed.
- C. The reserve pits will be plastic lined.
- D. A 400' X 400' area and road has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE.

- 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 pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have dried and leveled.

- C. If the proposed well is non-productive, all rehabilitation requirements of the BLM and the USGS will be complied with and will be as expeditiously as possible. All pits will be filled leveled within 90 days after abandonment.

11. OTHER INFORMATION.

- A. Topography: The land surface in the vicinity of the wellsite is near level and slopes westward immediate area of the wellsite is discussed above in paragraph 9B.
- B. Flora and Fauna: The vegetation cover consists of tobosa, terpetine, pepper weed, and some mesquite. No wildlife was observed, but the wildlife in the area probably includes those typical of semi-arid desert land. The area is used for cattle grazing.
- C. The Pecos River is approximately 2 miles west.
- D. There are no inhabited dwellings but there are windmills within a mile of the vicinity of the proposed well. Refer to Exhibit A.
- E. Surface Ownership: The wellsite is on federal surface with federal minerals. Surface was exchanged with David McCrea.
- F. There is no evidence of any archeological, historical or cultural sites in the area.

12. OPERATOR'S REPRESENTATIVE.

- A. The field representative responsible for assuring compliance with the approved surface use plan is:

Gliserio "Rod" Rodriguez or Cy Cowan  
Yates Petroleum Corporation  
207 South 4th Street  
Artesia, New Mexico 88210  
(505) 746-3558

13. CERTIFICATION.

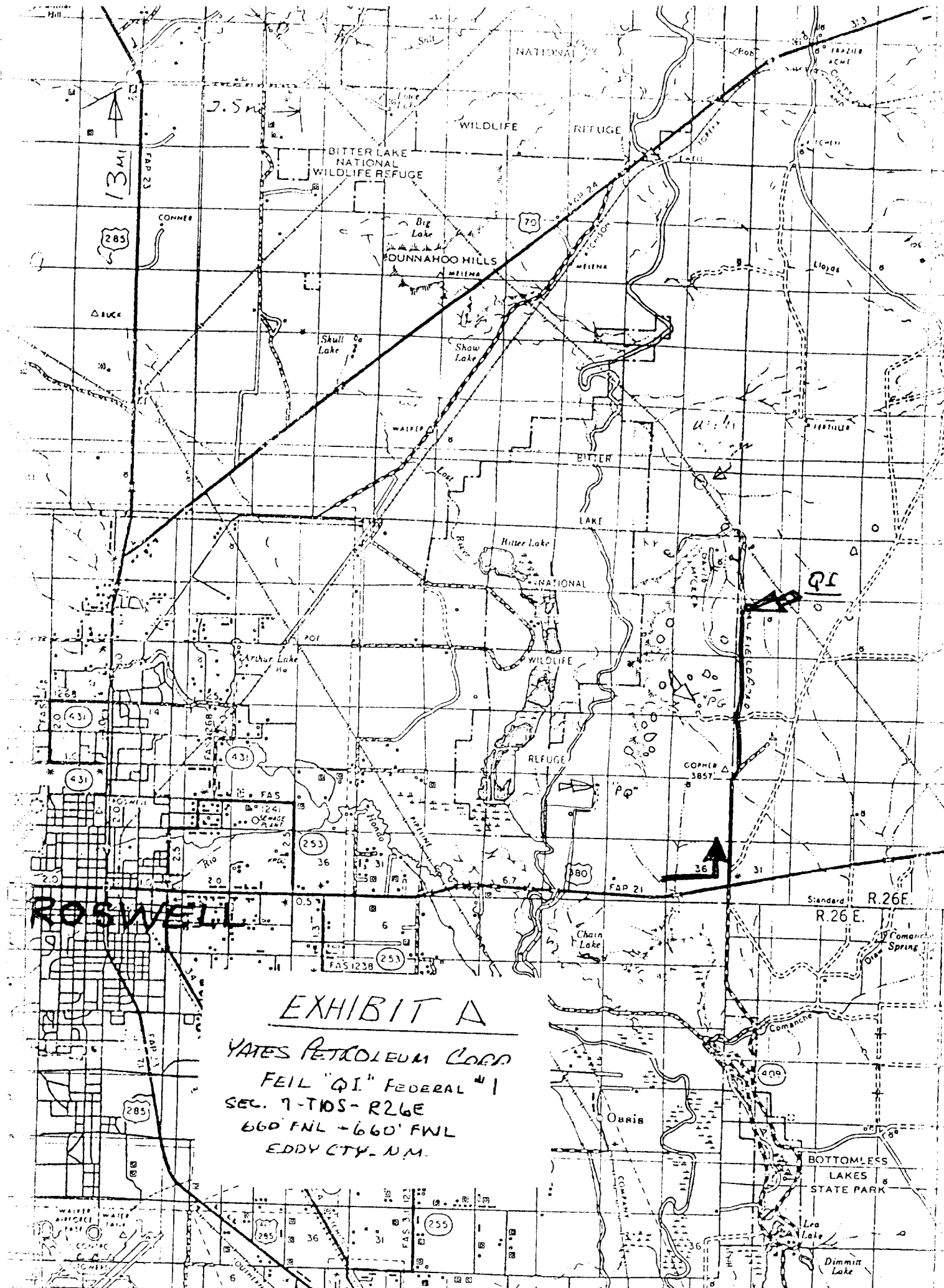
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route, that I am familiar with the conditions which presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with the operations proposed herein will be performed by Yates Petroleum Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

3-9-81

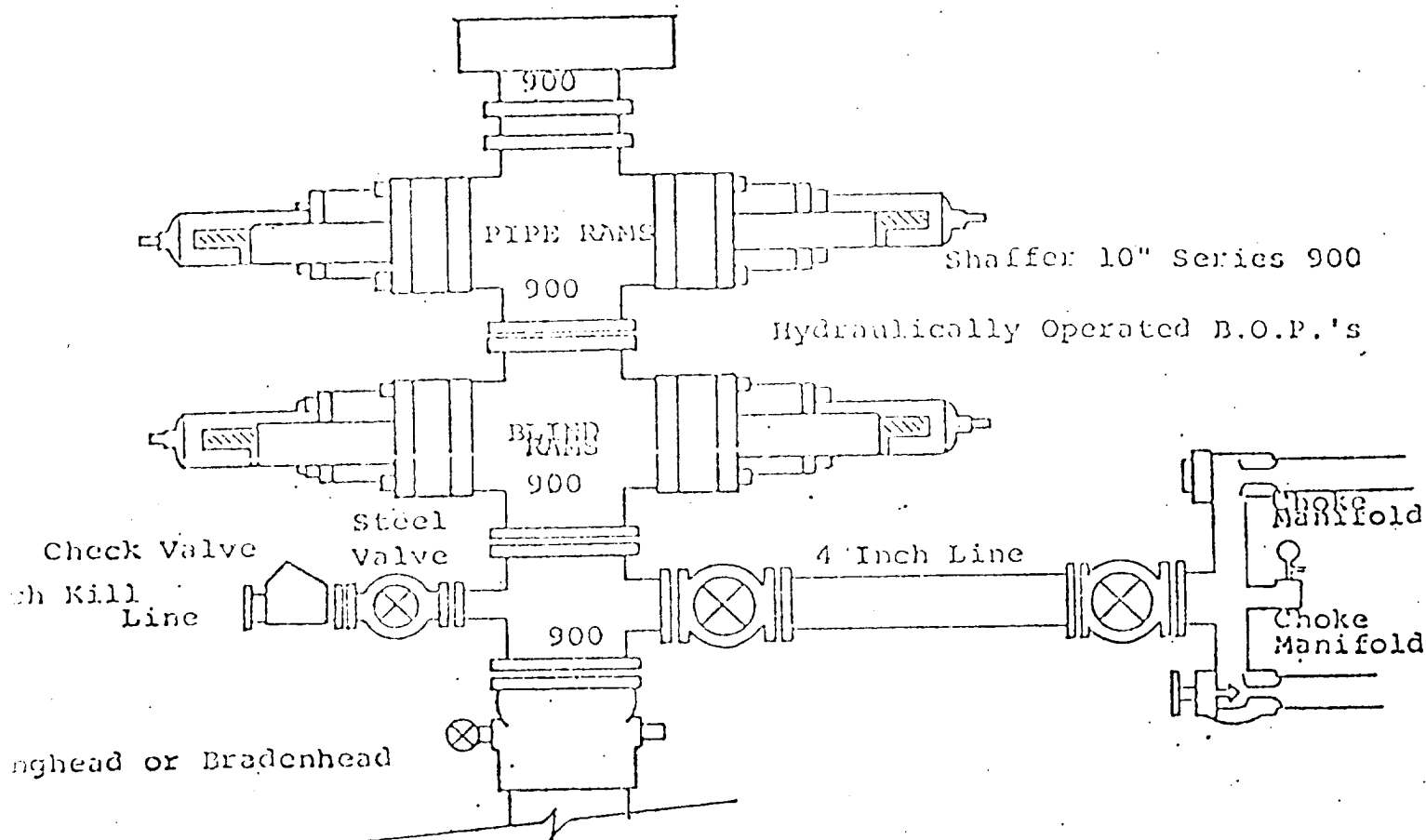
Date

Gliserio Rodriguez

Gliserio "Rod" Rodriguez, Geographer



## EXHIBIT B



### FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

All preventers to be hydraulically operated with secondary manual controls installed prior to drilling out from under casing.

Choke outlet to be a minimum of 4" diameter.

Kill line to be of all steel construction of 2" minimum diameter.

All connections from operating manifolds to preventers to be all steel hole or tube a minimum of one inch in diameter.

The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.

All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.

Inside blowout preventer to be available on rig floor.

Operating controls located a safe distance from the rig floor.

Hole must be kept filled on trips below intermediate casing. Operator not responsible for blowouts resulting from not keeping hole full.

D. P. float must be installed and used below zone of first gas intrusion.



# EXHIBIT C

## YATES PETROLEUM CORPORATION

