30-025-30260

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

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

Form C-101
Revised 10-1-78

5A. Indicate Type of Lease STATE [X] FEE [ ]

5. State Oil & Gas Lease No. LG-5182

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL [XX] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well
OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Unit Agreement Name: Echols State Unit

8. Farm or Lease Name: Echols State Unit

2. Name of Operator: Yates Petroleum Corporation

9. Well No.: 1

3. Address of Operator: 105 South Fourth Street - Artesia, NM 88210

10. Field and Pool, or Wildcat: E. Echols Devonian

4. Location of Well UNIT LETTER N LOCATED 330 FEET FROM THE South LINE AND 1980 FEET FROM THE West LINE OF SEC. 9 TWP. 11S RGE. ~~28E~~ 38E NMPM

12. County: Lea

19. Proposed Depth	19A. Formation	20. Rotary or C.T.
12600'	Devonian	Cable Tool / Rotary

21. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contractor	22. Approx. Date Work will start
3898.6' GR	Blanket	Undesignated	ASAP

23.

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
17-1/2"	13-3/8"	54.5# J-55	Approx. 450'	450 sacks	Circulate
11"	8-5/8"	32# J-55	" 4700'	2400 sacks	Circulate
7-7/8"	5-1/2"	17# N-80 & J-55	12600'	300 sacks	

Yates proposes to spud this well with a cable tool and later switch to a rotary rig and complete the hole. Will drill and test the Devonian and intermediate formations. Approximately 450' of surface casing will be run and cement circulated. Intermediate casing will be set at approximately 4700' and cemented to surface. If commercial pay is encountered, 5-1/2" casing will be run to TD and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW gel, native mud to 450', 10# brine to 4700', cut brine, SW gel to TD

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

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. 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 Clifton R. May Title Regulatory Agent Date February 26, 1988

(This space for State Use)

APPROVED BY Orig. Signed by Paul Kautz Geologist TITLE DATE FEB 26 1988

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval Date Unless Drilling Underway.

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	Lease	Well No.
YATES PETROLEUM CORPORATION	ECHOLS STATE UNIT	1

Unit Letter	Section	Township	Range	County
N	9	11S	38E	Lea

Actual Footage Location of Well:
330 feet from the South line and 1980 feet from the West line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3898.6'	DEVONIAN	E. ECHOLS DEVONIAN	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

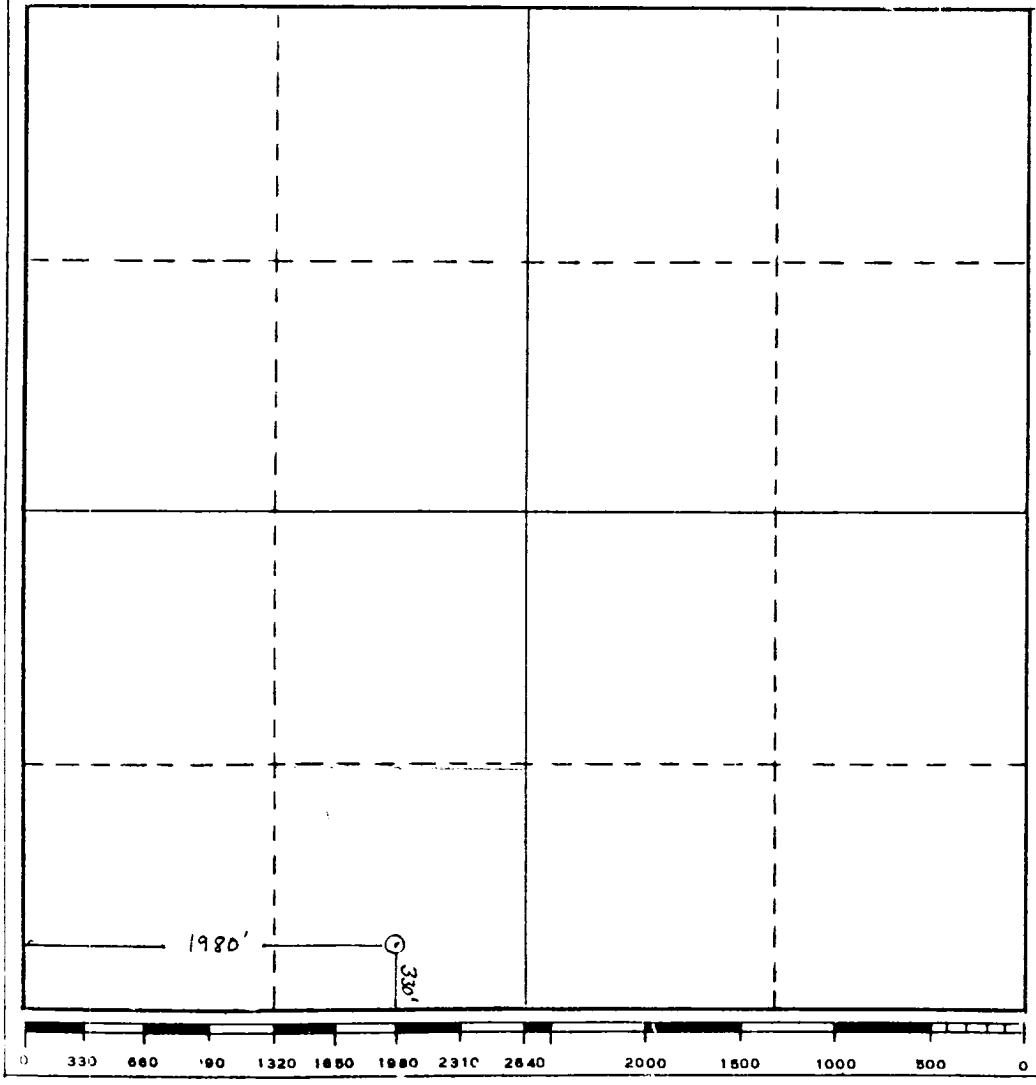
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.



CERTIFICATION

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

Clifton R. May

Name: Clifton R. May

Position: Regulatory Agent

Company: Yates Petroleum Corporation

Date: February 26, 1988

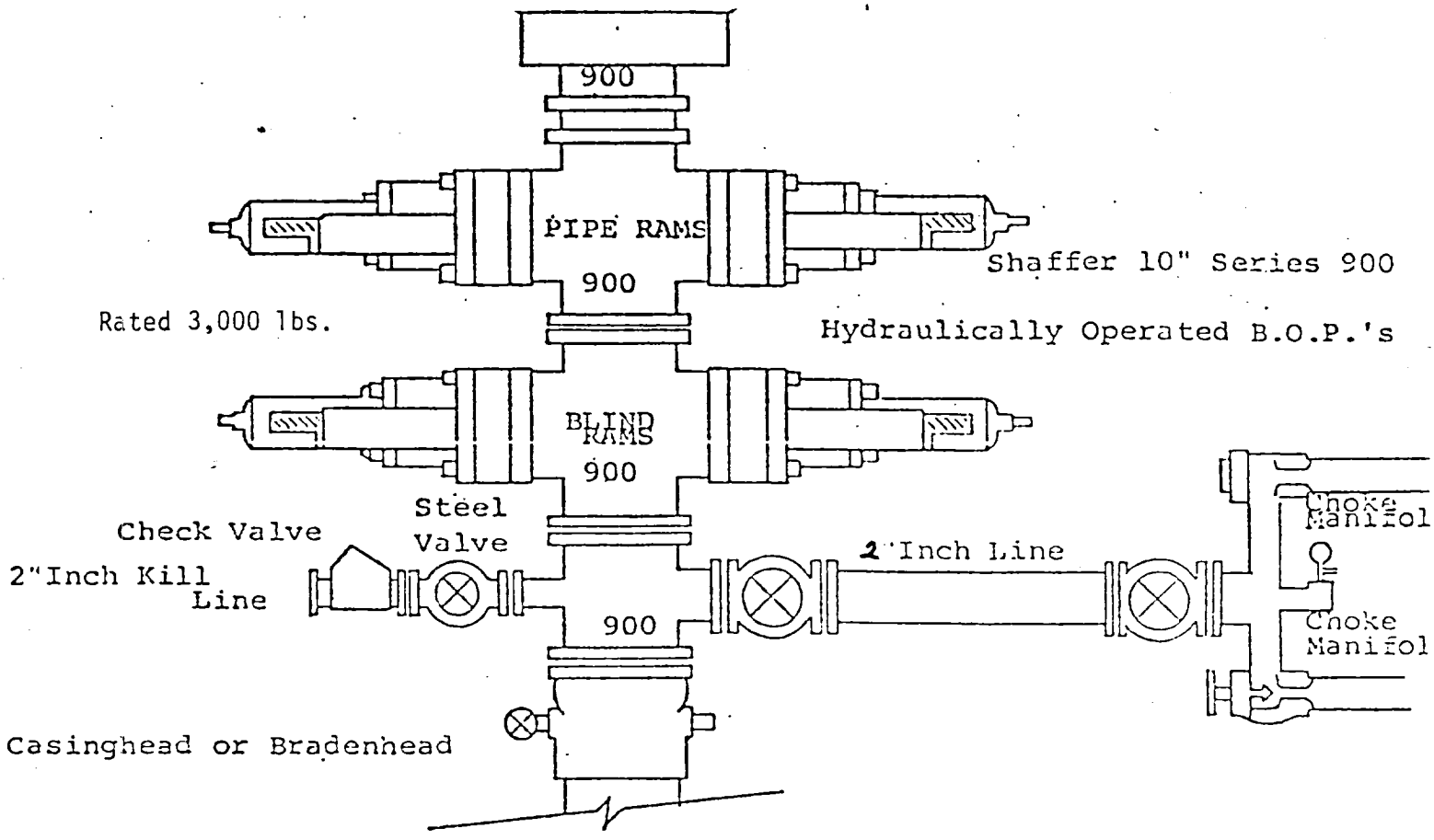
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: February 25, 1988

Registered Professional Engineer and/or Land Surveyor: HERSCHEL L. JONES

Certificate No. 3640

STATE OF NEW MEXICO REGISTERED LAND SURVEYOR



THE FOLLOWING CONSTITUTE MINIMUM BLOWOUT PREVENTER REQUIREMENTS

1. All preventers to be hydraulically operated with secondary manual control installed prior to drilling out from under casing.
2. Choke outlet to be a minimum of 2" 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 equivale 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.
10. D. P. float must be installed and used below zone of first gas intrusion