

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

30-005-30827

Form C-101
Revised 10-1-70

| | |
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| |
|--|
| 5A. Indicate Type of Lease |
| STATE <input checked="" type="checkbox"/> FCC <input type="checkbox"/> |
| 5. State Oil & Gas Lease No. |
| LG 2464 |

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

| | |
|----------------------|---|
| Type of Work | DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> |
| Type of Well | OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> |
| Location of Operator | Yates Petroleum Corporation |
| Address of Operator | 207 S. 4th St., Artesia, NM 88210 |
| Location of Well | UNIT LETTER K LOCATED 1980 FEET FROM THE South LINE 1980 FEET FROM THE West LINE OF SEC. 36 TWP. 7S RSE. 31E NMRM |

| |
|--------------------------------|
| 7. Unit Agreement Name |
| 8. Farm or Lease Name |
| Loveless "LQ" State |
| 9. Well No. |
| 4 |
| 10. Field and Pool, or Wildcat |
| Undes. Tomahawk S.A. |

| | |
|------------------|---|
| Location of Well | UNIT LETTER K LOCATED 1980 FEET FROM THE South LINE 1980 FEET FROM THE West LINE OF SEC. 36 TWP. 7S RSE. 31E NMRM |
|------------------|---|

| |
|------------|
| 11. County |
| Chaves |

| | | |
|---|-------------------------------|----------------------------------|
| 15. Proposed Depth | 16A. Formation | 16B. Name of C.P. |
| Approx. 4200' | San Andres | Rotary |
| 17. Elevation (Show whether D.R., etc.) | 21A. Kind & Status Prop. Bond | 21B. Drilling Contractor |
| 4389' | Blanket | LaRue Drilling Co. |
| | | 22. Approx. Date Work will start |
| | | ASAP |

PROPOSED CASING AND CEMENT PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
|--------------|----------------|-----------------|---------------|-----------------|------------|
| 12 1/2 | 8 5/8 | 24# | Approx 1700' | 500 | Circulated |
| 7 7/8 | 4 1/2 | 9.5# | TD | 300 | |

We propose to drill and test the San Andres formation. If productive will run 4 1/2" casing, perforate, and treat.

MUD PROGRAM: Native mud to 1700' fresh water to TD.

BOP PROGRAM: BOP's will be installed at 1700' and tested.

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 3/17/81
UNLESS DRILLING UNDERWAY

LOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRO-
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.

Glenn Robinson Title Geographer Date 9-11-81

(This space for State Use)

10-1-81

APPROVED BY *Lois E. Barton* TITLE DATE

CONDITIONS OF APPROVAL, IF ANY:

N 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.

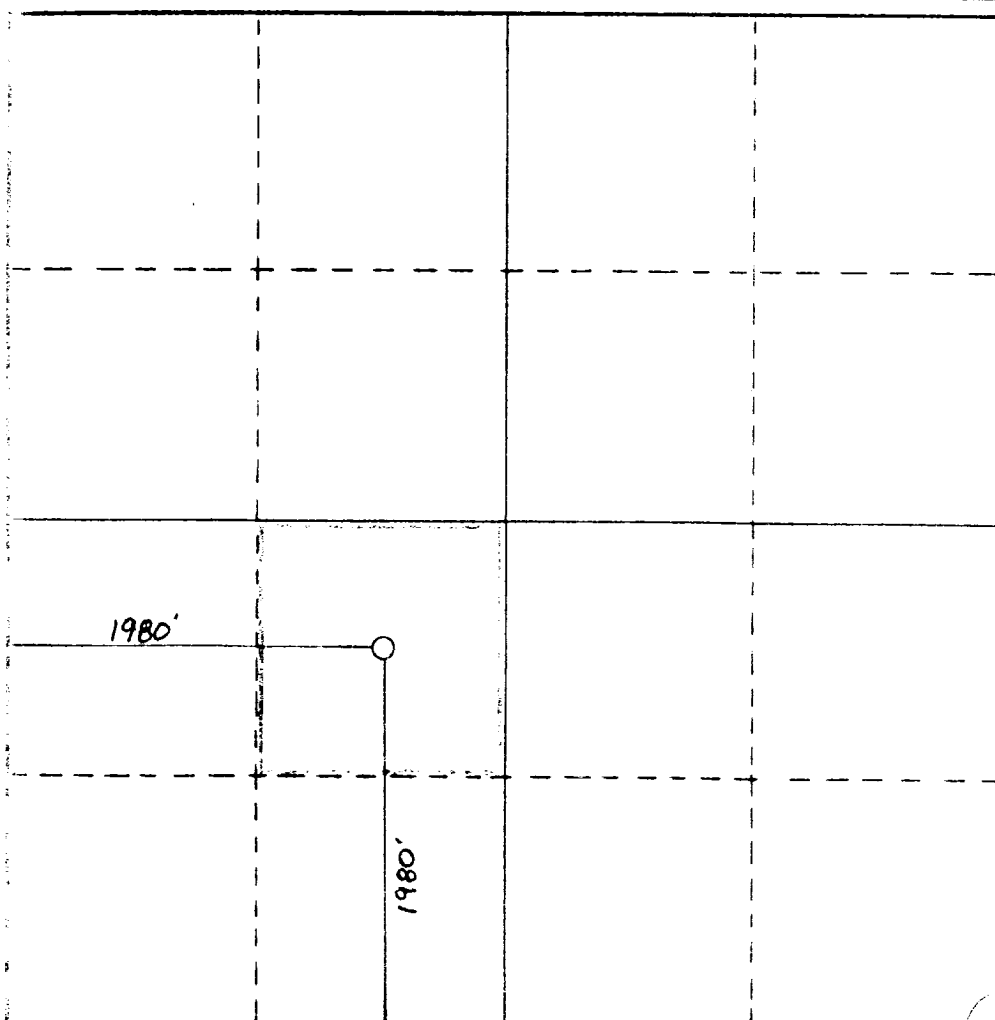
| | | | | | |
|---|---------------|---------------------|----------------------------|------------------|---------------|
| Operator Yates Petroleum Corporation | | | Lease Loveless 12 State | | Well No. 4 |
| Unit Letter K | Section 36 | Township 7 South | Range 31 East | County Chaves | |
| Actual Footage Location of Well: 1980 feet from the South line and 1980 feet from the West line Ground Level Elev. 4389 Producing Formation <i>San Andres</i> Pool <i>Loveless 12</i> Dedicated Acreage: <i>4</i> 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

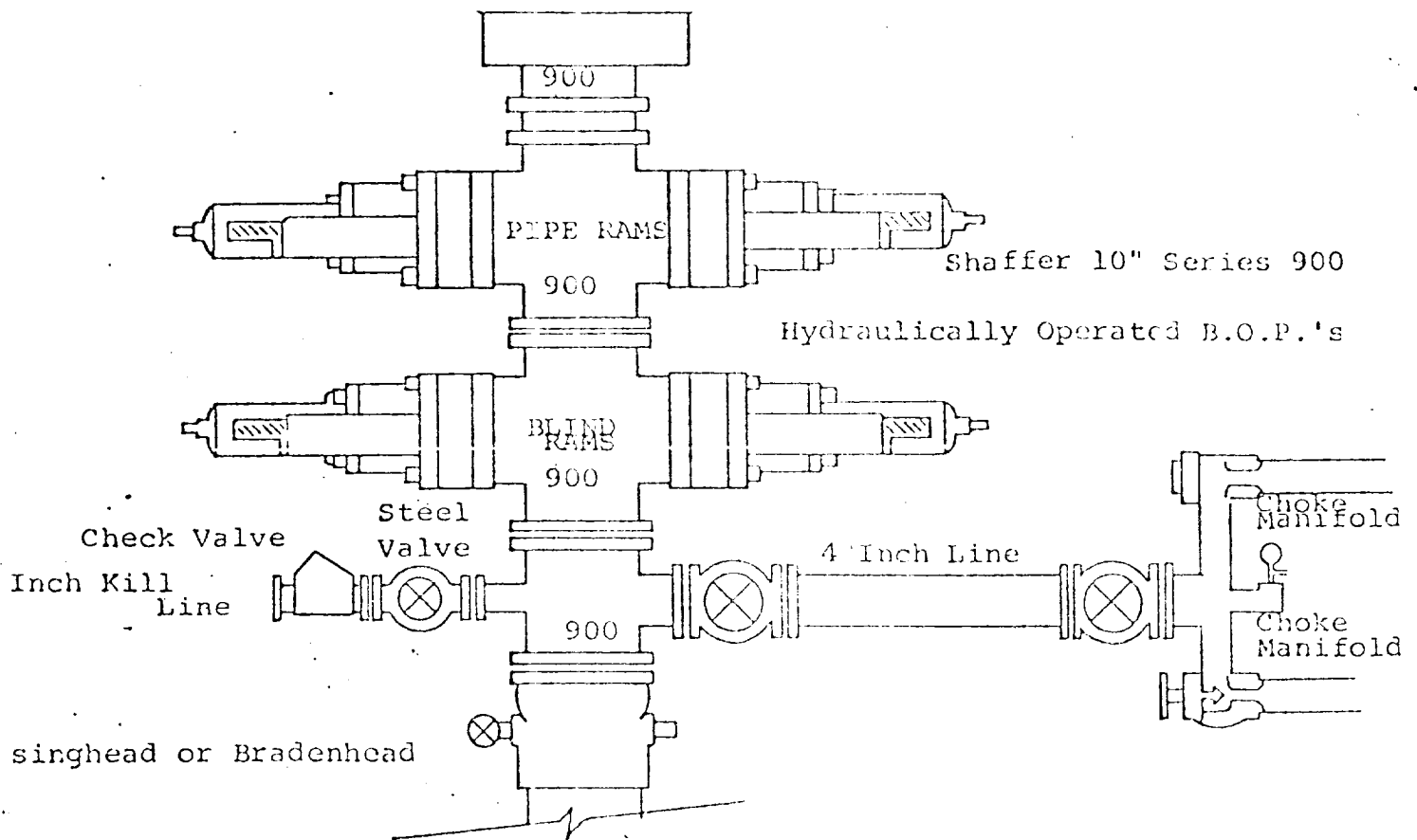
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____
 Position _____
 Company _____
 Date _____

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 _____
 Registered Professional Engineer, and/or Land Surveyor _____

Certificate No. 3640



THE 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.