

M - ROSWELL

SUBMIT IN TRI ATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-B1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. 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 S. 4th, Artesia, New Mexico 88210

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

At surface

330' FNL and 330' FEL

At proposed prod. zone

same

OIL & GAS

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

Approximately 14 miles west of Milnesand, New Mexico.

ROSWELL, NEW MEXICO

15. DISTANCE FROM PROPOSED*

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

330'

16. NO. OF ACRES IN LEASE

960

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

6 miles

19. PROPOSED DEPTH

appr. 4450'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

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

4374.4' GL

22. APPROX. DATE WORK WILL START*

ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
14 3/4"	10 3/4"	30# J-55	360'	350 sx circulate
7 7/8"	4 1/2"	9.5# J-55	TD	200 sx

We propose to drill and test the San Andres formation.

1. Drill 14 3/4" hole to approximately 360'.
2. Set 10 3/4" 30# J-55 casing @360' and circulate.
3. Drill to approximate TD to 4450' and run 4 1/2" 9.5# J-55 casing to TD. Cement with 200 sx.
4. Stimulate as needed for production.

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

BOP PROGRAM: BOP's installed at the offset and tested daily.

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 Glenn Rodriguez TITLE Regulatory Agent DATE 11/16/83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

/s/ Earl R. Cunningham

TITLE

DM-ROSWELL

DATE

11-23-83

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

All distances must be from the outer boundaries of the Section.

Operator Yates Petroleum Corporation			Lease Sun U.W.		Well No. Federal #3
Well Letter A	Section 10	Township 8 South	Range 33 East	County Chaves	
Actual Footage Location of Well:					
330	feet from the	North	Line and	330	feet from the
East Level Elev. 4374.4	Producing Formation San Andres		Pool Chaveroo S/A	Dedicated Acreage: 40 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 Division.

CERTIFICATION

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

Gliserio Rodriguez
Name

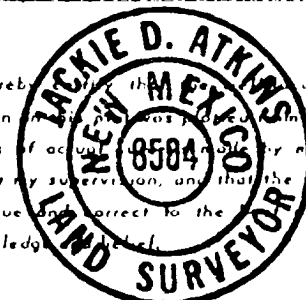
Gliserio Rodriguez
Position

Regulatory Agent
Company

Yates Petroleum Corp.

Date
11/16/83

I hereby certify that the information shown on this plat was prepared and field notes of actual survey by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

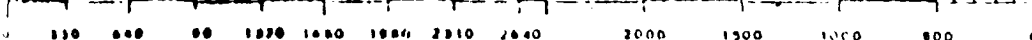


November 10, 1983

Date Surveyed
Jackie D. Atkins
Registered Professional Engineer
in New Mexico

PE 6403 LS 8504

Certificate No.





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Oil and Gas

P. O. Drawer 1857

Roswell, New Mexico 88201

Date Nov. 17, 1983

~~1/4~~ NE NE

Sec. 10

T. 8S

R. 33E

Resource Area Manager
Bureau of Land Management
P. O. Box 1397
Roswell, New Mexico 88201

TRANSMITTAL OF SURFACE USE PLAN

Lease No. NM-31211

Operator YATES PETROLEUM CORP.

Test Depth 4450'

Well 3 SUN "UW" FED.

Test Formation SAN ANDRES

Footage 330'/N & 330'/E

If the proposed action meets with your approval, please acknowledge in the space below and return the carbon copy to this office, and we will approve the application. An unapproved copy of the application will be furnished you. Please indicate surface owner and the grazing allottee if available.

Bureau of Land Management

Surface Owner: Federal

Grazing Allottee:

Non-Federal

We offer no objections to approval of the Application for Permit to Drill and/or the Surface Use Plan, provided that the stipulations listed below are included in the approval.

Date

Bureau of Land Management

Stipulation:



SPECIAL APPROVAL STIPULATIONS

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

DATE: February 1, 1980
S. 300 "D.L. FLD
N. 10 NE Sec 10 T8S R30E
CHAVES COUNTY, NM
LEASE NO. A-31211

THE SPECIAL STIPULATIONS CHECK MARKED BELOW ARE APPLICABLE TO THE ABOVE-DESCRIBED WELL AND APPROVAL OF THIS APPLICATION TO DRILL IS CONDITIONED UPON COMPLIANCE WITH SUCH STIPULATIONS IN ADDITION TO THE GENERAL REQUIREMENTS. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 30 CFR 290.

- ☒ A. The Minerals Management Service office is to be notified at:

☒ (505) 622-7332 Roswell

☐ (505) 756-9838 Artesia

☐ (505) 393-5146 Hobbs

in sufficient time for a representative to witness:

☒ 1. Spudding

☒ 2. Cementing casing

10 3/4 inch

_____ inch

_____ inch

☐ 3. BOP tests

- ☐ B. At least one working day prior to constructing the well pad, access roads and/or related facilities, the operator or dirt contractor shall notify the authorized officer of the surface management agency. The surface management agency may be contacted at:

☐ BLM phone (505) 887-6544 Carlsbad, New Mexico

☐ BLM phone (505) 622-7670 Roswell, New Mexico

☐ _____

He shall also notify the surface management agency within two working days after completion of earth-moving activities.

- ☐ C. Roads in the area of operation of this authorization will require surfacing.

- ☐ D. Surface surface casing should be set in the Rustler Anhydrite formation and cement circulated to the surface. If surface casing is set at a lesser depth, the 11 1/4 casing must be cemented from the casing shoe to the surface or cemented to the surface through a stage tool set at least 50 feet below the top of the Rustler after cementing around the shoe with sufficient cement to fill to the base of the salt section.

- ☐ E. Before drilling below the 10 3/4 casing, the blowout preventer assembly will consist of a minimum of one annulus type and two ram type preventers.

- ☐ F. Minimum required fill of cement behind the 4 1/2 casing is to isolate

- ☐ G. After setting the 10 3/4 casing string and before drilling into the Vator formation, the blowout preventers and related control equipment shall be pressure tested to rated working pressures by an independent service company. Any equipment failing to test satisfactorily shall be repaired or replaced. This office should be notified in sufficient time for a representative to witness the tests and shall be furnished a copy of the pressure test report.

Monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be installed and operating before drilling into the formation and used until production casing is run and cemented. Monitoring equipment shall consist of the following:

- ☐ 1. A recording pit level indicator to determine pit volume gains and losses.
- ☐ 2. A mud volume measuring device for accurately determining mud volume necessary to fill the hole or annulus.
- ☐ 3. A flow sensor on the flow-line to warn of any abnormal mud returns from the well.
- ☐ 4. A kelly cock will be installed and maintained in operable condition.
- ☐ 5. A Communication Agreement covering the acreage indicated to the well must be filed for approval with the Minerals Management Service, P.O. Box 26124, Albuquerque, New Mexico 87126. The effective date of the agreement must be prior to any sales.
- ☐ 6. Above ground structures, not subject to applicable safety requirements shall be painted. The paint color is to simulate:
 - ☐ Sandstone Brown, Fed. Std. 595-20318 or 30318.
 - ☐ Sagebrush Gray, Fed. Std. 595-26357 or 36357.
 - ☐ _____
- ☐ 7. A Gamma Ray-Compensated Neutron log is required from the base of the salt section to the surface with cable speed not to exceed 60 feet per minute.

4. Rehabilitation

- ☐ At least 3 working days prior to commencing any of the following rehabilitation activities, the operator shall notify the appropriate surface managing agency, shown in part 8.
- ☐ 1. Upon the conclusion of drilling and completion operations when mud pits are dry they will be leveled, plastic will be removed and area reseeded with mixture No. _____ shown on last page of General Requirements.
- ☐ 2. Following the down-hole plugging and abandonment of all operation:
 - ☐ a. The drill pad and _____ miles of access road shall be ripped to a minimum of 12" in depth. Ripping shall be on the contour with rips being approximately 3 feet or less apart.
 - ☐ b. The drill site and _____ miles of access road will be reseeded with mixture No. _____ shown on the last page of the General Requirements.
 - ☐ c. All ripped surfaces are to be protected from vehicular travel by constructing a dead-end ditch and earthen barricade at the entrance to these ripped areas. The barricade is to be constructed using spoil material from the ditch and should be of sufficient magnitude to discourage vehicle entry.
 - ☐ d. Private Surface: Abandonment stipulations to coincide with operator-landowner agreement. (where no agreement exists, BLM will be requested to provide abandonment stipulations.)
 - ☐ e. The surface location is to be cleaned and leveled.
- ☐ 3. Modifications in the rehabilitation stipulations made necessary by unforeseen circumstances or improvements in rehabilitation methods may be made when the balance of stipulations to be followed is filed.

☐ 5. Other:

RECEIVED
NOV 29 1983
G.C.D.
PROCESS OFFICE

