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LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
5. State Oil & Gas Lease No. LG-814
7. Unit Agreement Name
8. Farm or Lease Name Woodpecker "SY" St
9. Well No. 3
10. Field and Pool, or Wildcat UNDESIGNATED
12. County Lea

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	2. Type of Well OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	3. Name of Operator Yates Petroleum Corporation	4. Address of Operator 207 S. 4th, Artesia, New Mexico 88210	5. Location of Well UNIT LETTER B LOCATED 660' FEET FROM THE North LINE	6. Location of Well 1800 FEET FROM THE East LINE OF SEC. 21 TWP. 14S RGE. 33E NMPM	19. Proposed Depth 10,150'	19A. Formation Permo-Penn	20. Rotary or C.T. Rotary
7. Elevations (Show whether DF, KI, etc.) 4213' GL		21A. Kind & Status Plug. Bond Blanket		21B. Drilling Contractor Collier		22. Approx. Date Work will start ASAP		

3. 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"	48# J-55	450'	400 SX	circulate
12 1/4"	8 5/8"	24# J-55	4200'	1300 SX	400'
7 7/8"	5 1/2"	17# N-80-L	TD	450 SX	9200'
		17# K-55-L			
		17# K-55-S			
		17# N-80-L			

We propose to drill a 10,150' well and test the Permo-Penn and intermediate formations. Approximately 450' of surface casing will be set and cemented circulated and approximately 4200' of intermediate will be set and cement circulated back to about 400'. Production casing will be set to TD and cemented back to approximately 9200'.

MUD PROGRAM: FW gel to 450', native mud 4200', water & paper to 7500'. starch-driskpak-KCL to TD.

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

APPROVAL VALID FOR 180 DAYS
PERMIT EXPIRES 12/30/82
UNLESS DRILLING UNDERWAY

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED 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 Jerry Sexton Title Regulatory Coordinator Date 6/29/82

(This space for State Use)

ORIGINAL SIGNED BY

PROVED BY JERRY SEXTON TITLE REGULATORY COORDINATOR DATE 6/29/82

CONDITIONS OF APPROVAL, IF ANY, DISTRICT 1 SUPR.

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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.

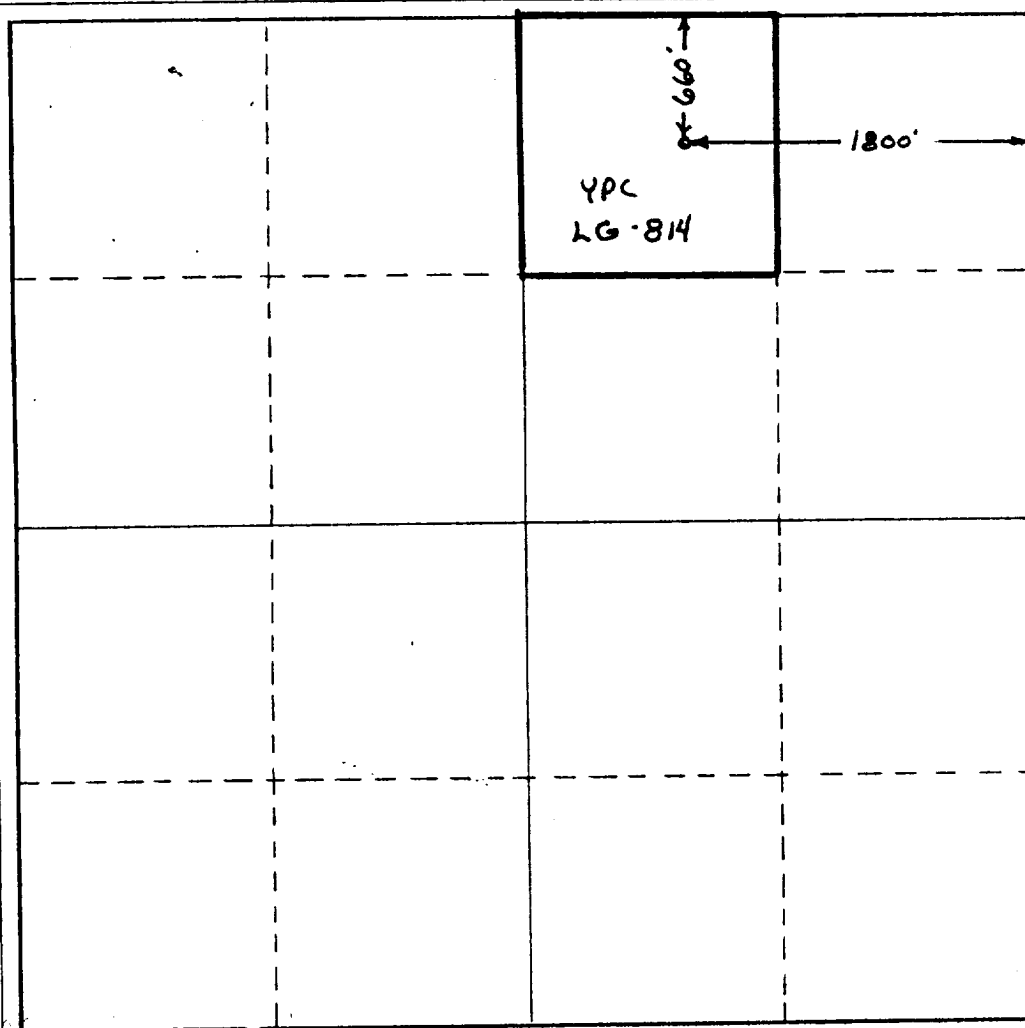
Operator YATES PETROLEUM CORPORATION			Lease Woodpecker "SY" State		Well No. 3
Unit Letter B	Section 21	Township 14 South	Range 33 East	County Lea	
Actual Footage Location of Well: 660' feet from the North line and 1800' feet from the East line					
Ground Level Elev. 4213'	Producing Formation Permo-Penn	Pool UNDESIGNATED	Dedicated Acreage: 160.40 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.

Ken Beardemphl

Name
Ken Beardemphl

Position
Regulatory Coordinator

Company
Yates Petroleum Corporation

Date
6/30/82

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

Date Surveyed
June 29, 1982

Registered Professional Engineer
and/or Land Surveyor

Dan Jones

Certificate No.

7977

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rotating head if necessary
Fill up Line

ROTATING
BOP
2000 psi

Flowline

ANGULAR BOP

(Hydrill)

Exhibit B

900

PIPE RAMS

900

Shaffer 10" Series 900

Hydraulically Operated B.O.P.'s

BLIND
RAMS

900

Check Valve

Steel
Valve

4" Line

Choke
Manif

Choke
Manif

Kill Line

900

Ringhead or Bradenhead

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.

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