

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells) 30-025-31648
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. LG-2265

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐			7. Lease Name or Unit Agreement Name Superior "WA" State		
b. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐			8. Well No. 5		
2. Name of Operator Yates Petroleum Corporation			9. Pool name or Wildcat Saunders Permo Upper Penn		
3. Address of Operator 105 South Fourth Street, Artesia, New Mexico 88210					
4. Well Location Unit Letter <u>C</u> : <u>660</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> Line Section <u>11</u> Township <u>14 South</u> Range <u>33 East</u> NMPM Lea County					
10. Proposed Depth 10,245'		11. Formation Bough C		12. Rotary or C.T. Rotary	
13. Elevations (Show whether DF, RT, GR, etc.) 4195		14. Kind & Status Plug Bond Blanket		15. Drilling Contractor Undesignated	
				16. Approx. Date Work will start ASAP	
17. 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	Apprx. 450'	400 sx	Circulate
12 1/4"	8 5/8"	24# J-55	Apprx. 4200'	1400 sx	400'
7 7/8"	5 1/2"	17# N-80	TD	450 sx	9200'

Yates Petroleum Corporation proposes to drill a 10,245' well and test the Permo-Penn and intermediate formations. Approximately 450' of surface casing will be set and cement circulated. Approximately 4200' of intermediate casing will be set and cement circulated back to 400'. Production casing will be set to TD and cemented back to approximately 9200'.

MUD PROGRAM: FW gel to 450'; Native mud to 4200'; water/paper to 7500'; Starch/driskpak.

BOP PROGRAM: BOP's will be 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. 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.

SIGNATURE Ken Beardemph1 TITLE Landman DATE 7-13-92
TYPE OR PRINT NAME Ken Beardemph1 TELEPHONE NO. 748-1471

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

JUL 14 '92

Permit Expires 6 Months From Approval
Date Unless Drilling Underway.

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Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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WELL LOCATION AND ACREAGE DEDICATION PLAT

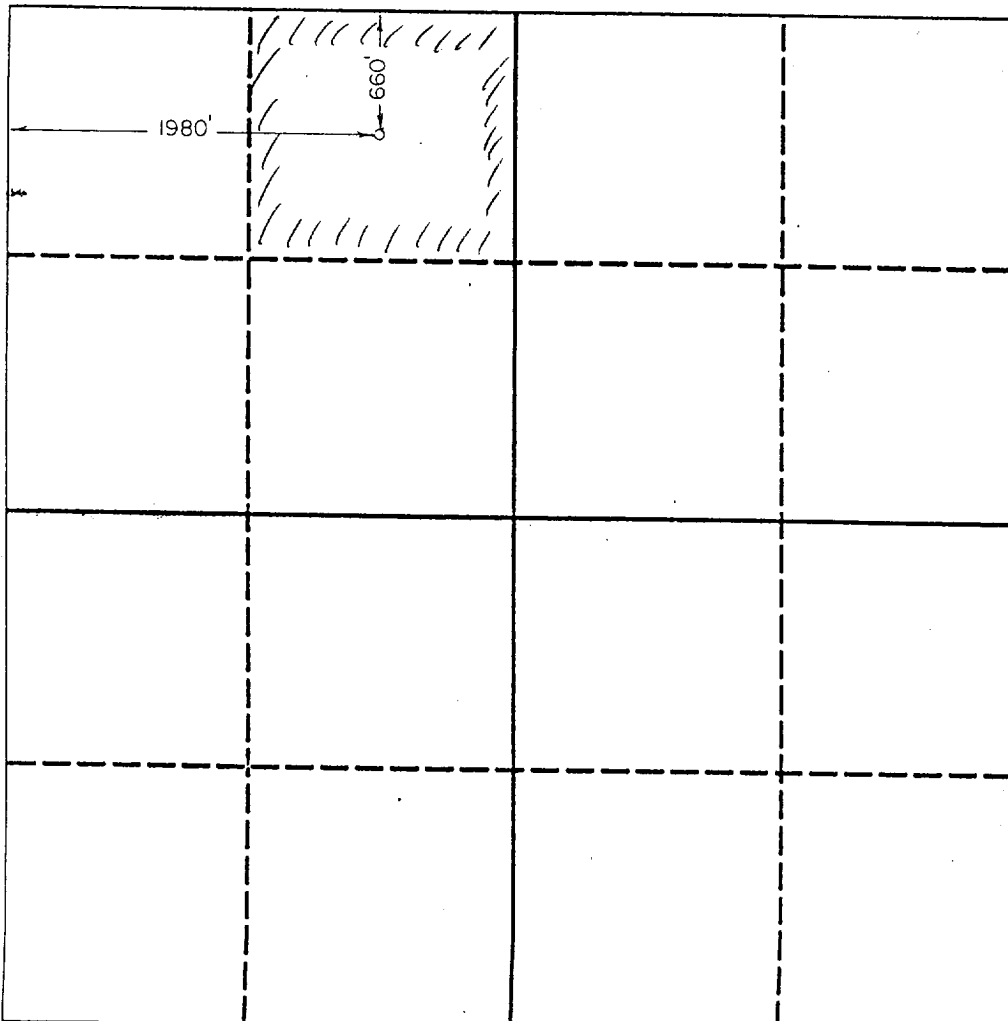
All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease SUPERIOR "WA" STATE		Well No. 5
Unit Letter C	Section 11	Township 14 SOUTH	Range 33 EAST	County LEA	
Actual Footage Location of Well: 1980 feet from the WEST line and 660 feet from the NORTH line					
Ground level Elev. 4195	Producing Formation Bough C		Pool Sander Perms Upper Perm	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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Printed Name

Position

Company

Date

SURVEYOR CERTIFICATION

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

Signature

Professional Seal

Certificate No.

3640

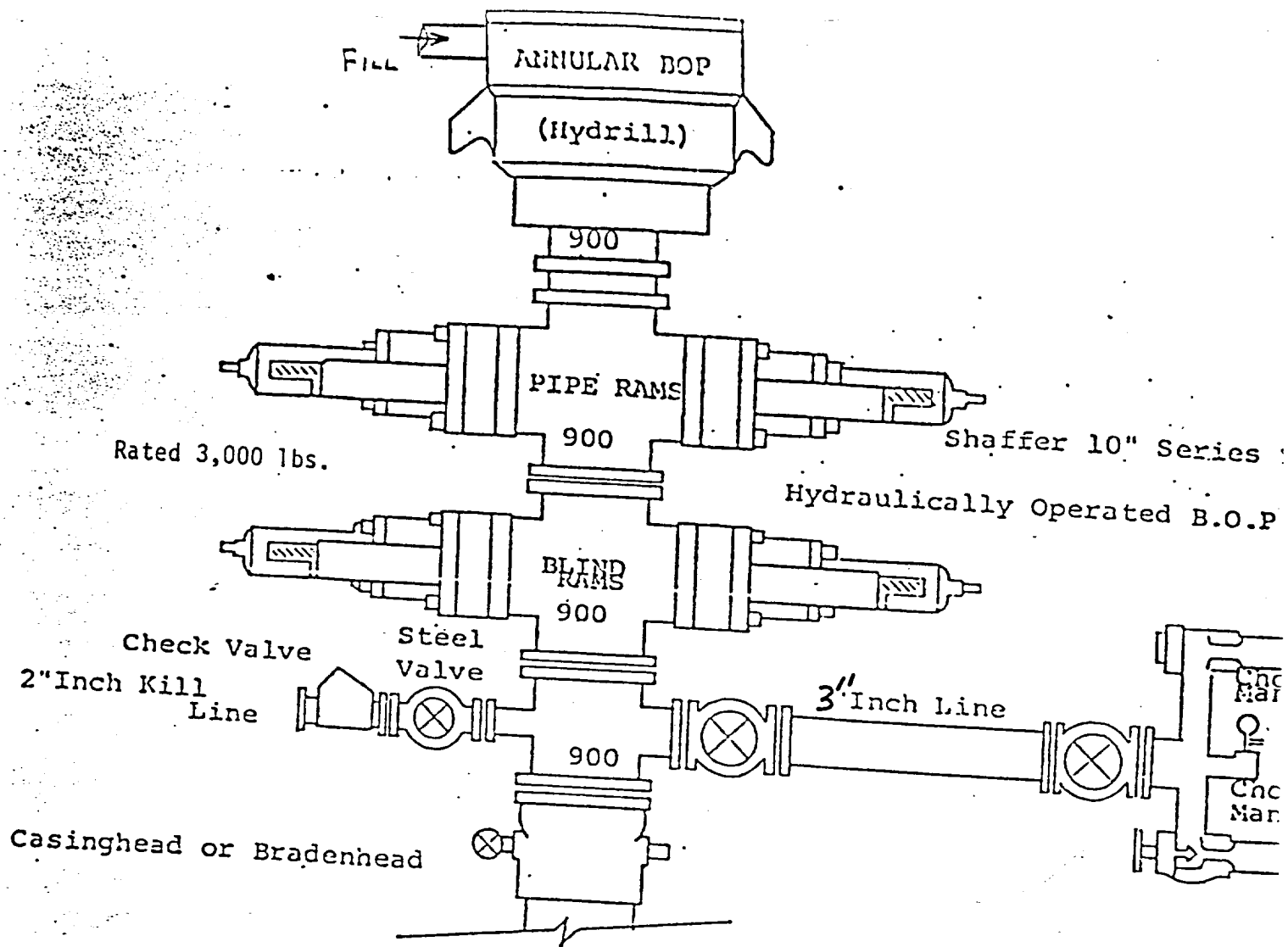
RE-D LAND SURVEY

NEW MEXICO

HERSCHEL L. JONES

3640

RE-D LAND SURVEY



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 3" 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.

EXHIBIT
B

REC-10-6-92
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RECEIVED
JAN 10 1992
FBI - NEW YORK