

30-025-3/227

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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
105 South Fourth Street, Artesia, NM 88210
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
At surface
Unit Letter L; 1980' FSL and 660' FWL
At proposed prod. zone
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
34 miles northeast of Loving, NM
15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 660'
16. NO. OF ACRES IN LEASE
80
17. NO. OF ACRES ASSIGNED
TO THIS WELL
40
18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.
8500'
19. PROPOSED DEPTH
8500'
20. ROTARY OR CABLE TOOLS
Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.)
3611' GL
Carlsbad Controlled Water Basin
22. APPROX. DATE WORK WILL START*

5. LEASE DESIGNATION AND SERIAL NO.
NM-64605
6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Rosemary "AJB" Federal
9. WELL NO.
1
10. FIELD AND POOL, OR WILDCAT
Wildcat
Under Livingston Ridge Delaware
11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA
Sec. 6-T22S-R32E
12. COUNTY OR PARISH
Lea
13. STATE
NM

23. PROPOSED CASING AND CEMENTING PROGRAM Secretary's Proposal R-TT-P Potash

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"	54.5#	850'	Circulate - 850 sacks
12 1/4"	8 5/8"	32.0#	4500'	Circulate - 2500 sacks
7 7/8"	5 1/2"	17 & 20#	TD	Adequate cover-SEE STPS.

Yates Petroleum Corporation proposes to drill and test the Delaware and intermediate formations. Approximately 850' of surface casing will be set and cement circulated. Approximately 4500' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: Native mud to 850'; Brine to 4500'; cut Brine to TD.

BOP PROGRAM: BOP will be installed at the offset 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. 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 Clifton R. May TITLE Permit Agent DATE 3-29-91
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY Carlson TITLE CARLSBAD RESOURCE APP. DATE 4-23-91
CONDITIONS OF APPROVAL, IF ANY

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated, on all types of lands and leases for appropriate action by either a Federal or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable State or Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plat, separate or on this reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal or State agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective production zone.

ITEM 22: Consult applicable Federal or State regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICE

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR Part 3160.

PRINCIPAL PURPOSE: The information is to be used to process and evaluate your application for permit to drill, deepen, or plug back an oil or gas well.

ROUTINE USES: (1) The analysis of the applicant's proposal to discover and extract the Federal or Indian resources encountered. (2) The review of procedures and equipment and the projected impact on the land involved. (3) The evaluation of the effects of proposed operation on surface and subsurface water and other environmental impacts. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions, as well as routine regulatory responsibility.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases.

This information will be used to analyze and approve applications.

Response to this request is mandatory only if the lessee elects to initiate drilling operations on an oil and gas lease.

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Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-182
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

DISTRICT II
P.O. Drawer 88, Artes, NM 88210

DISTRICT III
1000 Rio Arriba Rd., Artes, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION		Lease ROSEMARY "AJB" FEDERAL		Well No. 1
Unit Letter L	Section 6	Township 22 SOUTH	Range 32 EAST	County LEA
Actual Footage Location of Well:				
1980 feet from the SOUTH line and		660 feet from the WEST line		
Ground level Elev. 3611	Producing Formation DELAWARE	Pool Wildcat CLINTON-LIVINGSTON RIDGE DELAWARE		Dedicated Acreage: 40 Acres
1. Outline the acreage dedicated to the subject well by colored pencil or ink on the plot 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, forced-pooling, etc.? ☐ Yes ☐ No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and trust 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 <i>Clifton R. May</i> Printed Name Clifton R. May Position Permit Agent Company Yates Petroleum Corp. Date 3-29-91
				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 3/19/91 Signature & Seal of Professional Surveyor

YATES PETROLEUM CORPORATION

**Rosemary "AJB" Federal #1
1980' FSL and 660' FWL
Section 6-T22S-R32E
Lea County, New Mexico**

In conjunction with Form 3160-3, Application for Permit to Drill subject well, Yates Petroleum Corporation submits the following ten items of pertinent information in accordance with BLM requirements.

1. The geological surface formation is Sandy Alluvium.

2. The estimated tops of geologic markers are as follows:

Rustler	766'
Bell Canyon	4,556'
Cherry Canyon	5,561'
Brushy Canyon	7,324'
Bone Springs	8,456'
TD	8,600'

3. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water:	150'
Oil or Gas:	7190' and 8316'

4: Proposed Casing Program: See Form 3160-3.

5. Pressure Control Equipment: See Form 3160-3 and Exhibit B.

6. Mud Program: See Form 3160-3.

7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sensor equipment; sub with full-opening valve on floor, drill pipe connections.

8. Testing, Logging and Coring Program:

Samples: Out from under surface casing to TD.

DST's: As warranted.

Coring: None anticipated.

Logging: Dual Induction Laterolog, Gamma Ray/Litho Density, Gamma Ray/Compensated Neutron with Caliper Log.

9. No abnormal pressures or temperatures are anticipated.

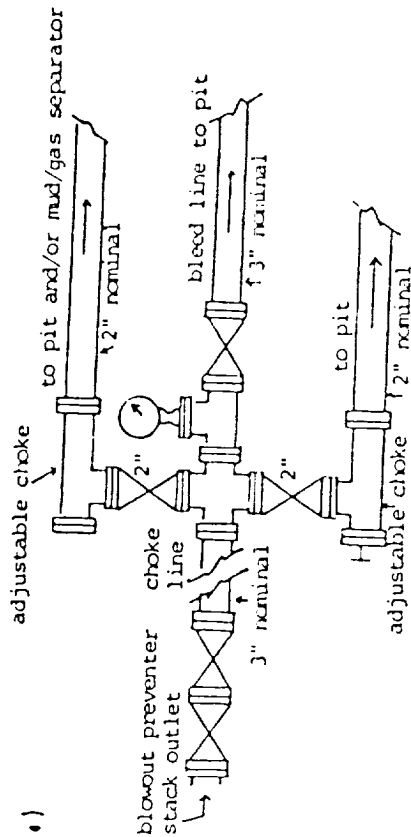
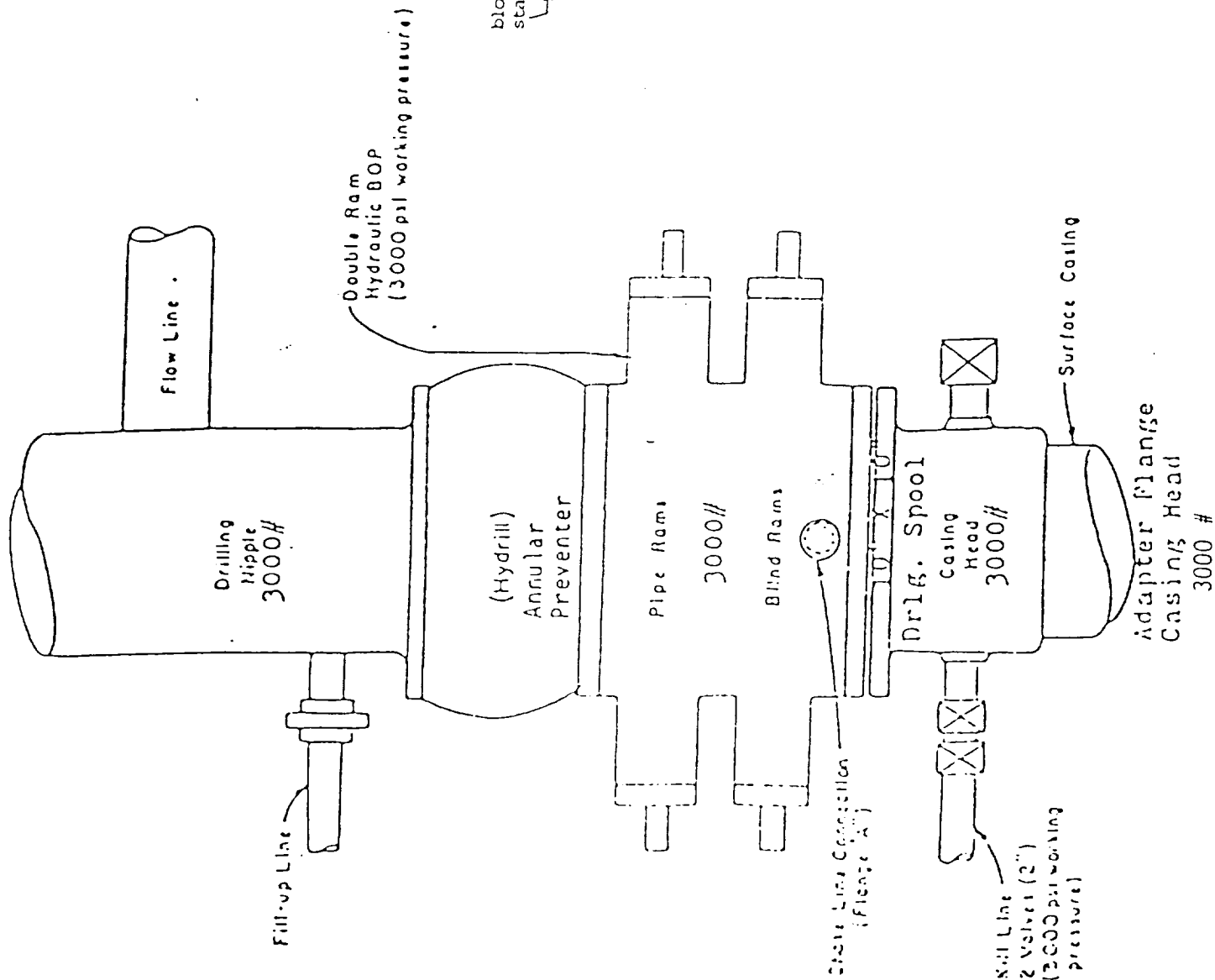
10. Anticipated starting date: As soon as possible after approval.

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typical choke manifold assembly for 3M rated working pressure service-surface installation

EXHIBIT "B"
Blowout Preventer
Diagram

1648-9 PMJ
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