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5A. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-718
7. Unit Agreement Name
8. Farm or Lease Name Brent "US" State
9. Well No. 1
10. Field and Pool, or Wildcat Sand Hills Grayburg/San Andres
11. County Lea

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

Type of Work
Type of Well DRILL ☒ DEEPEN ☐ PLUG BACK ☐
OIL WELL ☒ GAS WELL ☐ OTHER ☐ SINGLE ZONE ☐ MULTIPLE ZONE ☐

Name of Operator
Yates Petroleum Corporation
Address of Operator
207 S. 4th, Artesia, New Mexico 88210
Location of Well
UNIT LETTER K LOCATED 1650 FEET FROM THE South LINE
1650 FEET FROM THE West LINE OF SEC. 32 TWP. 20S RGE. 39E

12. Proposed Depth 4500'	13A. Formation SA/Grayburg	13B. Rotary or C.T. Rotary
14. Direction of Drift (if any) 3552' GL	21A. Kind & Status Plug. Bond Blanket	21B. Drilling Contractor L&M #2
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 1/4"	8 5/8"	24#	350'	200 sx	circulated
6 1/4"	4 1/2"	9.5#	TD	200 sx	

We propose to drill and test the San Andres/Grayburg and intermediate formations. Approximately 350' of surface casing will be set and cement circulated to shut off gravel and caving. If commercial, production casing will be run and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW gel to 1600', SW to 3300', Salt gel/starch to TD.

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

GAS NOT DEDICATED.

Drill bit to 4 1/2" casing must be

APPROVAL VALID FOR 180 DA
PERMIT EXPIRES 2/5/83
UNLESS DRILLING UNDERWAY

BOVE 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] Title Regulatory Manager Date 8/4/82

(This space for State Use)

ORIGINAL SIGNED BY

MOVED BY JERRY SEXTON TITLE DATE AUG 5 1982

CONDITIONS OF APPROVAL, IF ANY:

NEW 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.

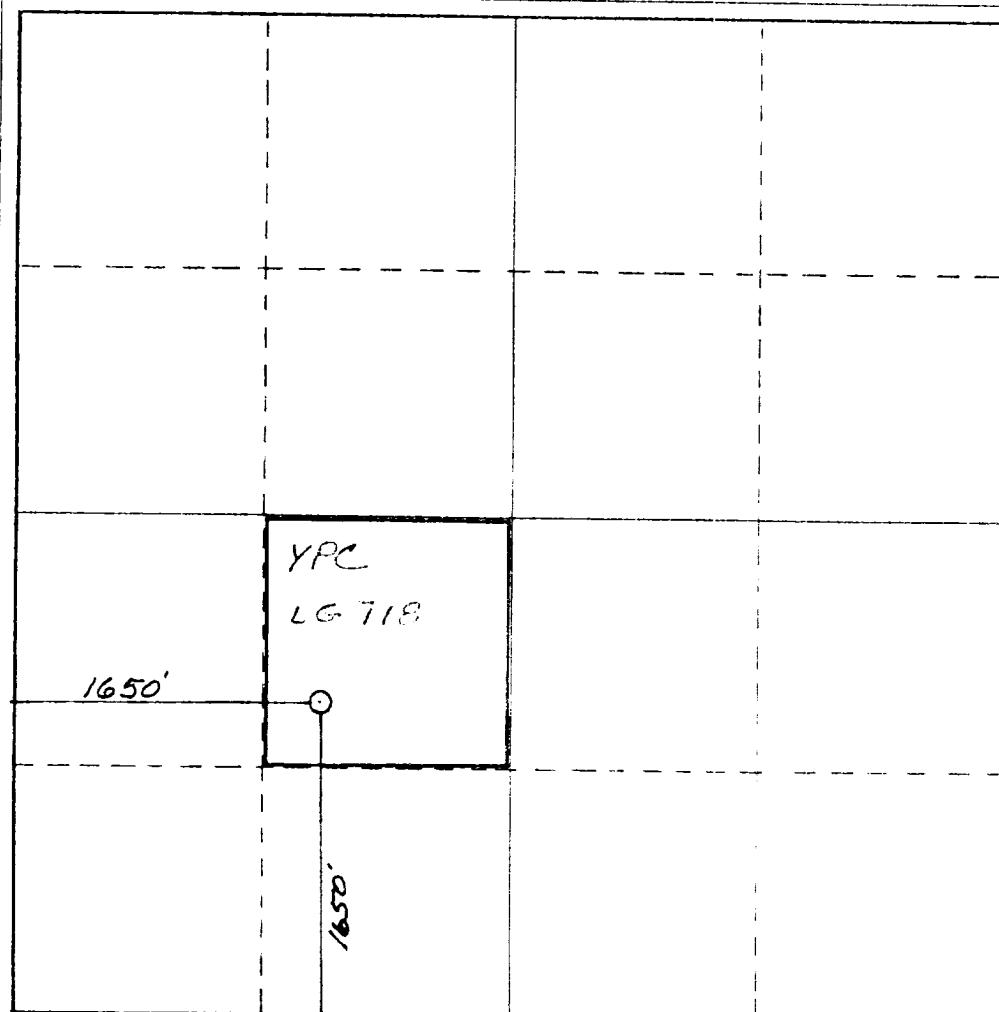
Operator Yates Petroleum Corporation			Lease Brent "US" State		Well No. 1
Unit Letter K	Section 32	Township 20 South	Range 39 East	County Lea	
Actual Footage Location of Well: 1650 feet from the South line and 1650 feet from the West line					
Ground Level Elev. 3552'	Producing Formation SA/GRYBURG		Pool SAND HILL SA/GRYBG		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 Commission.



CERTIFICATION

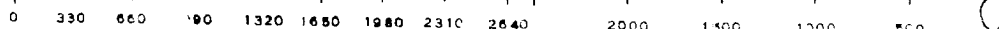
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

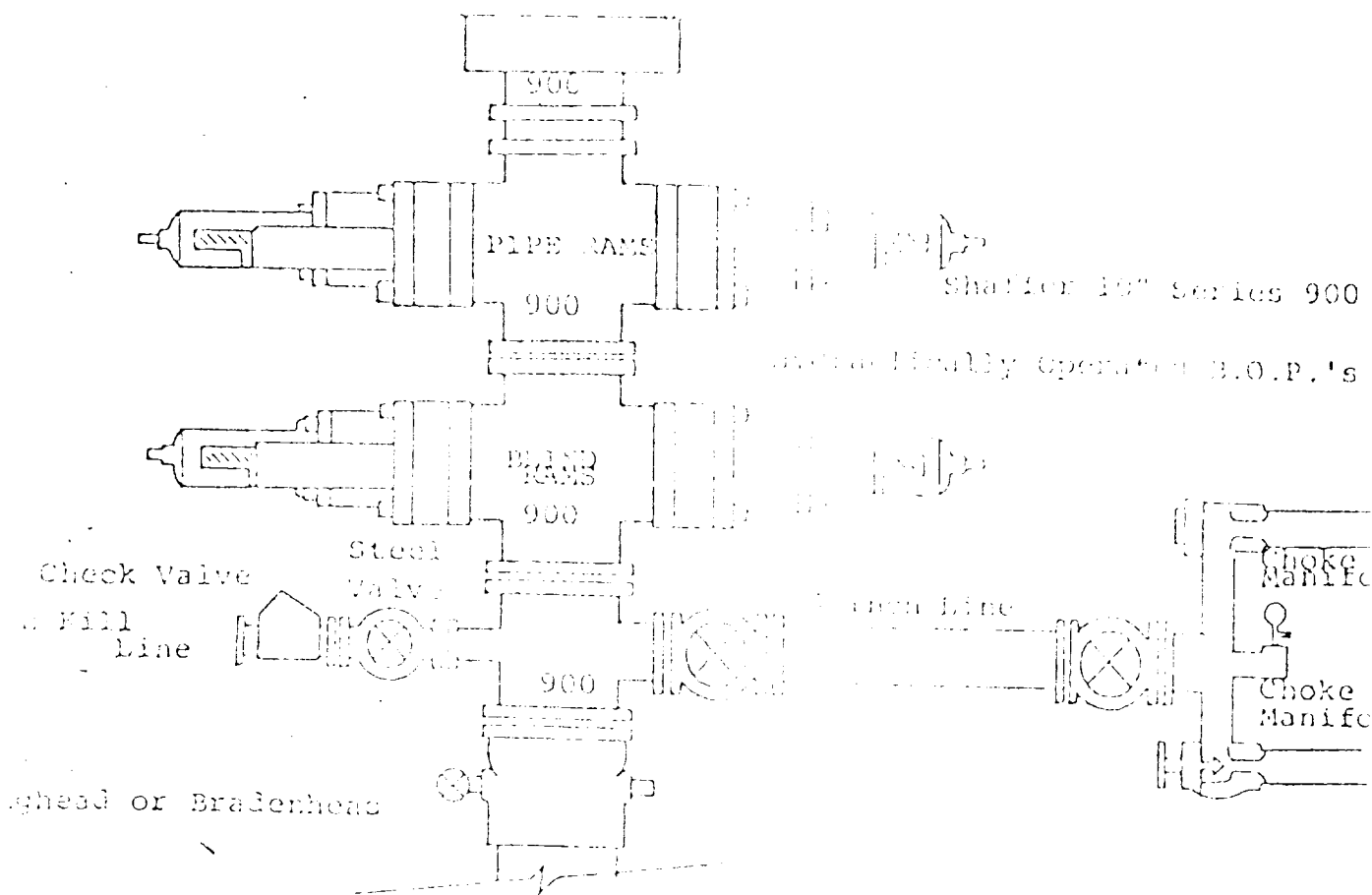
Name
Gliserio Rodriguez
Position
Regulatory Manager
Company
Yates Petroleum Corp.
Date
August 4, 1982

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 are true and correct to the best of my knowledge and belief.

Date Surveyed
8/4/82
Registered Professional Engineer
and/or Land Surveyor

Certificate No.
7277





FOLLOWING CONSTRUCTION REQUIREMENTS FOR BLOWOUT PREVENTERS

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 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.
5. Hole or tube a minimum of one inch in diameter.
6. The available closing pressure shall be at least 15% in excess of that required with sufficient volume to operate the B.O.P.'s.
7. All connections to and from preventer to have a pressure rating equivalent to that of the B.O.P.'s.
8. Inside blowout preventer to be available on rig floor.
9. Operating controls located a safe distance from the rig floor.
10. Hole must be kept filled on trips below intermediate casing.
11. B.O.P. float must be installed and used below zone of first gas intrusion.

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