

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

WELL API NO.
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-3525
7. Lease Name or Unit Agreement Name Applaud APP State
8. Well No. 3
9. Pool name or Wildcat Grama Ridge Bone Springs, North

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	
2. Name of Operator YATES PETROLEUM CORPORATION	
3. Address of Operator 105 South 4th St., Artesia, NM 88210	
4. Well Location Unit Letter D : 330 Feet From The North Line and 330 Feet From The West Line Section 9 Township 21S Range 34E NMPM Lea County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3721' GR	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Spud <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Spudded a 12-1/4" hole with rat hole machine at 10:00 AM 12-1-95. Drilled to 10'.
Shut down. NOTE: Notified Bonnie w/OCD-Hobbs of spud.

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

SIGNATURE Rusty Klein TITLE Production Clerk DATE 12-1-95
TYPE OR PRINT NAME Rusty Klein TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY
GARY WINK
FIELD REP. V

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. YATES PETROLEUM CORPORATION 105 South Fourth Street Artesia, New Mexico 88210		¹ OGRID Number 025575
⁴ Property Code 17609	⁴ Property Name Applaud APP State	¹ API Number 30-0 25-33198
		⁴ Well No. 3

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	9	21S	34E		330	North	330	West	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1

Undesignated North Grama Ridge Bone Spring

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3721'
¹⁶ Multiple No	¹⁷ Proposed Depth 10,400'	¹⁸ Formation Bone Spring	¹⁹ Contractor Not known	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	550'	550 sx	Circulate
11"	8 5/8"	32#	5600'	1750 sx	Circulate
7 7/8"	5 1/2"	15.5# & 17#	TD	900 sx	

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Propose to drill and test the Bone Spring and intermediate formations. Approximately 550' of surface casing will be set and cement circulated. Approximately 5600' of intermediate casing will be set and cement circulated. If commercial, production casing will be run and cemented as warranted with adequate cover, perforated and stimulated as needed for production.

Permit Expires 6 Months From Approval

Date Unless Drilling Underway..

MUD PROGRAM: FW Gel, Paper, LCM to 550'; Brine to 5600'; Cut Brine, Starch to TD.

BOPE PROGRAM: BOPE will be installed on the 13 3/8" casing. See Exhibit B

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Cliffon R. May

Printed name:

Cliffon R. May

Title:

Regulatory Agent

Date:

11-30-95

Phone:

505-748-1471

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

Title:

Approval Date: NOV 30 1995

Expiration Date:

Conditions of Approval:

Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code		Pool Name <i>Uncons. North Grama Ridge Bone Spring</i>	
Property Code		Property Name APPLAUD "APP" STATE			Well Number 3
OGRID No. <i>025575</i>		Operator Name YATES PETROLEUM CORPORATION			Elevation 3721

¹⁰ Surface Location

UL or lot no. D	Section 9	Township 21S	Range 34E	Lot Idn	Feet from the 330	North/South line NORTH	Feet from the 330	East/West line WEST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres <i>40</i>	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 330 <i>V-3525</i>				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cy Cowan</i> Signature <i>Cy Cowan</i> Printed Name <i>Land Tech</i> Title <i>11/30/95</i> Date</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p><i>11/28/95</i> Date of Survey Signature and Seal of Professional Surveyor: <i>Herschel R. [Signature]</i> Certificate Number 3640</p>

YATES PETROLEUM CORPORATION

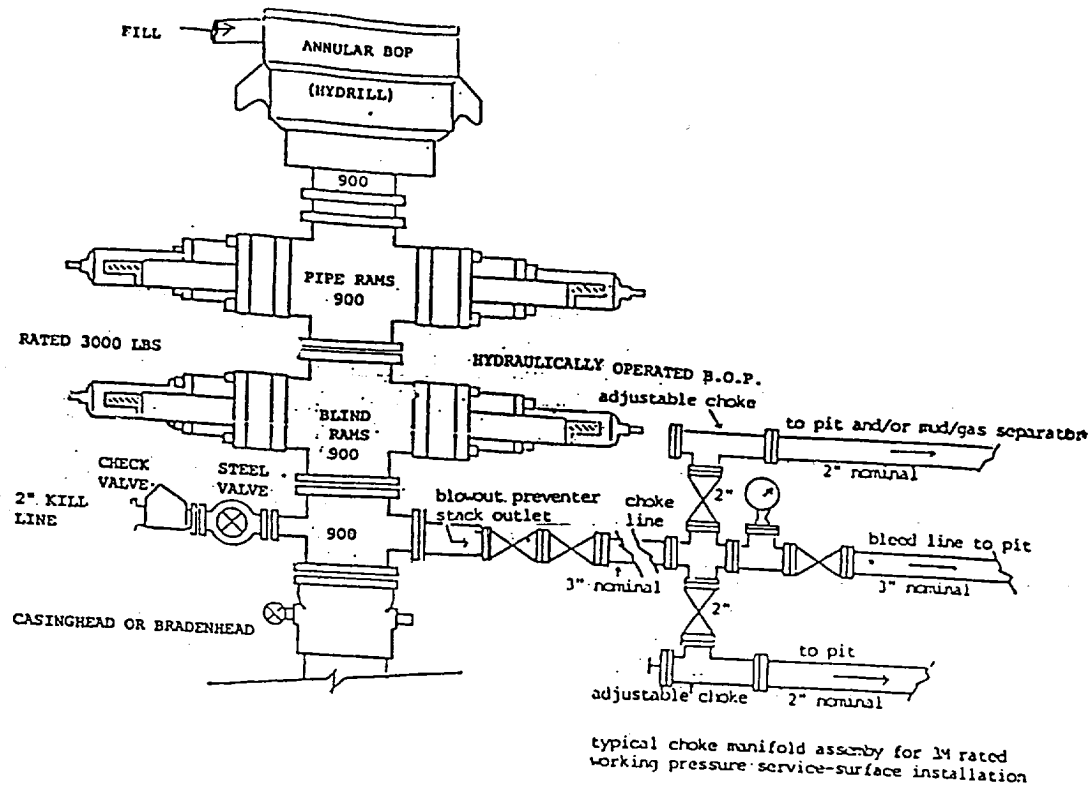


EXHIBIT B

THE FOLLOWING CONSTITUTES THE MINIMUM BLOWOUT PREVENTER
REQUIREMENTS FOR 3000 PSI WP SYSTEMS

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 3" diameter.
3. Kill line to be of all steel construction of 3" minimum diameter.
4. All connections from operating manifolds to preventers to be all steel. Hole or tube to be 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 to be located a safe distance from the rig floor.
9. Hole must be kept filled on trips below intermediate casing.