

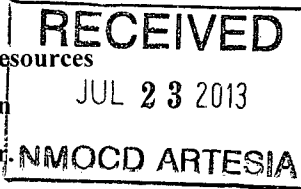
District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-101
Revised December 16, 2011

Permit

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, NM 88210		² OGRID Number 025575
		³ API Number 30-015-21896
⁴ Property Code 40038	⁵ Property Name Jackson GM	⁶ Well No. 1

7 Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
N	24	17S	25E		660	South	1650	West	Eddy

8 Pool Information

Wildcat, Atoka BAGLE CREEK; ATOKA-MORROW EAST 76240

Additional Well Information

⁹ Work Type P	¹⁰ Well Type G	¹¹ Cable/Rotary N/A	¹² Lease Type P	¹³ Ground Level Elevation 3468'GR
¹⁴ Multiple N	¹⁵ Proposed Depth N/A	¹⁶ Formation Atoka	¹⁷ Contractor N/A	¹⁸ Spud Date N/A
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

19 Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
REFER TO ORIGINAL COMPLETION						

Casing/Cement Program: Additional Comments

Yates Petroleum Corporation plans to plugback and recompleat this well as follows: NU BOP. This well has a plunger lift system in place attempt to get the plunger out of the tubing. Load hole with treated water. POH with tubing, packer and TCP guns. RIH with bit and scraper to 8100'. Set a CIBP at 8070' with 35' cement on top. Load hole with treated water and pressure test casing to 1500 psi. Perforate Atoka 7832'-7842' (61). Acidize with 1000g 15% NEFE.HCL, reverse circulate the acid out of the hole. Test annulus to 1500 psi. Pump 2500g 7-1/2% HCL MSA acid flushed with treated water. Swab well and flow until it,cleans up. Turn well over to production.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Manual BOP	3000 psi	3000 psi	Whichever company is available

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

I further certify that the drilling pit will be constructed according to NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan . YPC uses steel tanks only.

Signature: Tina Huerta

Printed name: Tina Huerta

Title: Regulatory Reporting Supervisor

E-mail Address: tinah@yatespetroleum.com

Date: July 23, 2013

Phone: 575-748-4168

OIL CONSERVATION DIVISION

Approved By:

R Wade

Title: Asst. Supervisor

Approved Date: July 24, 2013

Expiration Date: 7-24-15

Conditions of Approval Attached

WELL NAME: Jackson GM # 1

FIELD: Eagle Creek Atoka Morrow

LOCATION: 660' FSL & 1,650' FWL of Section 24-17S-25E Eddy Co., NM

GL: 3,468' ZERO: 16' KB: 3,484'

SPUD DATE: 08/28/76 COMPLETION DATE: 11/03/76

COMMENTS: API No.: 30-015-21896

Plunger lift equipment in hole ran in May of 2001

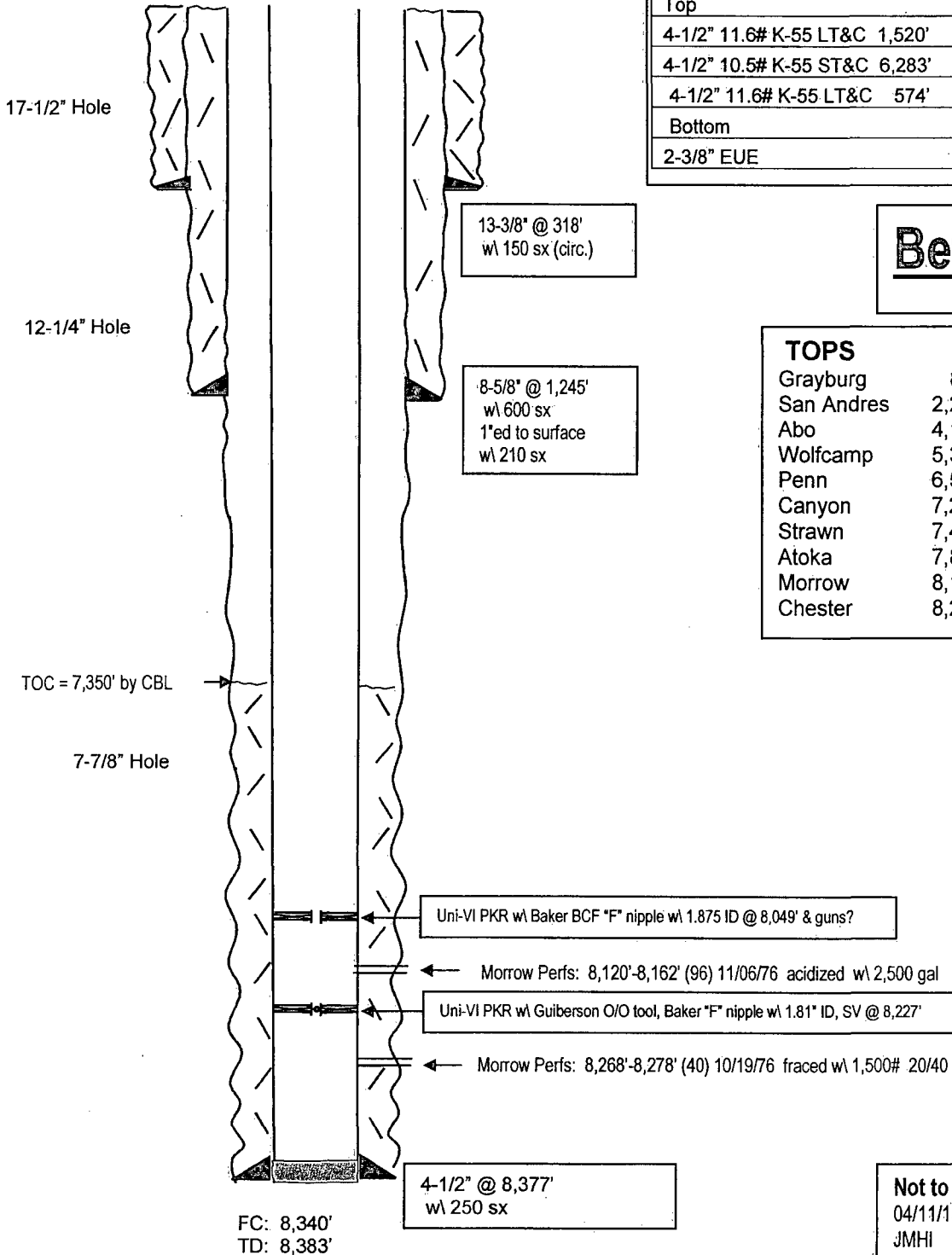
CASING PROGRAM

13-3/8" 48# H-40	318'
8-5/8" 24# K-55	1,245'
Top	
4-1/2" 11.6# K-55 LT&C 1,520'	
4-1/2" 10.5# K-55 ST&C 6,283'	
4-1/2" 11.6# K-55 LT&C 574'	8,377'
Bottom	
2-3/8" EUE	8,049'

Before

TOPS

Grayburg	817'
San Andres	2,219'
Abo	4,160'
Wolfcamp	5,375'
Penn	6,528'
Canyon	7,209'
Strawn	7,426'
Atoka	7,831'
Morrow	8,111'
Chester	8,286'



Not to Scale
04/11/13
JMHI

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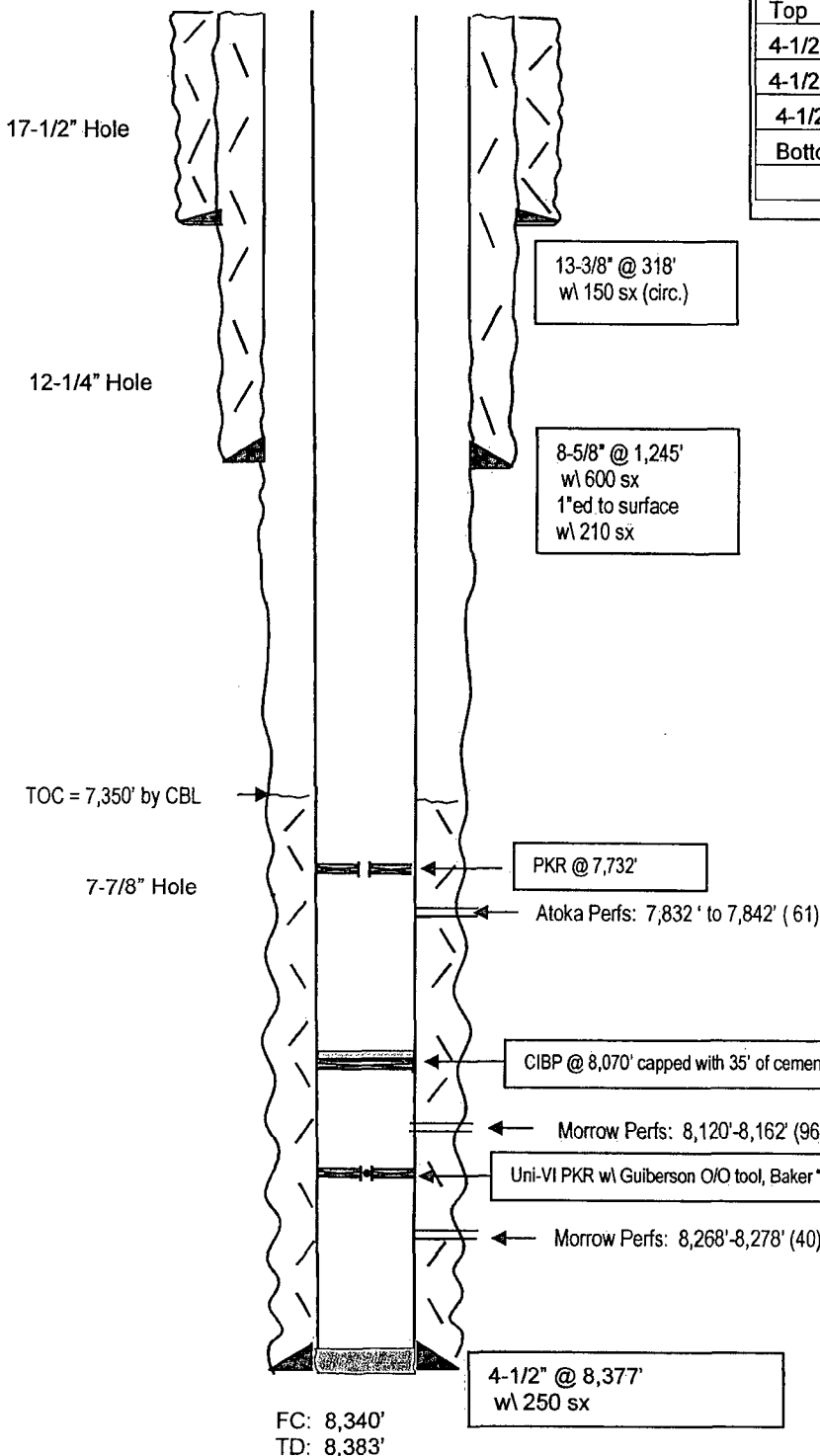
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