District I 1 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

Date: May 28, 2014

Phone: 575-748-4272

State of New Mexico

Energy Minerals and Natural Resource

Oil Conservation Division 1220 South St. Francis Dr.

Santa Fe, NM 8/805/OCD ARTESIA

Form C-101 Revised July 18, 2013

☐AMENDED REPORT

APPLI		PERMIT To Operator Name a	PLUGBACK, OR ADD A ZONE OGRID Number								
		Yates Petroleum Cor 105 South Fourth	025575								
			Artesia, NM 88	3210		³ API Number 30-005-63262					
4. Prop	erty Code 5230			V	ista AVS State		_	6,	Well No.		
20) <u>230</u>	I			rface Location	1			2		
UL - Lot F	Section 21	Township 9S	Range 26E	Lot Idn	Feet from 1980	N/S Line North	Feet From 1980	E/W Line West	County Chaves		
* Proposed Bottom Hole Location											
UL - Lot	Section	Township	. Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County		
			!	9. Po	ol Informatio	1					
					Name	CAC		Po			
			T1.8.1	Pecos Slo	ope; Abo	GAS)			82730		
11.117	rk Type		12. Well Type	Addition	al Well Inforn 13. Cable/Rotary	nation	14				
	гк туре Р		G ✓		NA		14. Lease Type S	15. Ground Level Elevation 3,760°GR			
	ultiple N		17. Proposed Depth		18. Formation		19. Contractor	^{20.} Spud Date			
Depth to Gro				nce from nearest f	Abo resh water well		NA NA Distance to nearest surface water				
⊠We will b	e using a c	losed-loop s	system in lieu of	lined pits							
			21.	Proposed Cas	sing and Cemo	ent Program					
Туре				Casing Wei		Setting Depth	Sacks of C	Cement	Estimated TOC		
				Refer t	o Original C	ompletion					
Refer to Original Completion											
]			-/CA D		1.0		l			
D. C			Casing	g/Cement Pro	ogram: Additi	onal Commen	ts				
Refer to pa	ge 2					_					
			22.	Proposed Blo	wout Preventi	on Program					
	Туре			orking Pressure		Test Pressure		Manufacturer			
l	Manual BOP			3000 psi		3000 psi		Whichever company is available			
					-						
^{23.} I hereby certify that the information given above is true and complete to the best of my knowledge and belief.						OIL CONSERVATION DIVISION					
I further certify that I have complied with 19.15.14.9 (A) NMAC and/or 19.15.14.9 (B) NMAC, if applicables Signature:						Approved By:					
Printed name: Laura Watts							"Geo	ogisi	- 46		
Title: Regul	Title: Regulatory Reporting Technician						29-2014 Ex	piration Date	5-29-2016		
E-mail Addre	E-mail Address: laura@yatespetroleum.com								7 - 2		

Conditions of Approval Attached

Vista AVS State #2 Section 21-T9S-R26E Chaves County, New Mexico Page 2

Proposal to Plugback:

Yates Petroleum Corporation plans to perforate additional Wolfcamp and possibly recomplete the Abo:

- 1. MIRU all safety equipment necessary. NU BOP.
- 2. Perforate Wolfcamp 5,061'-5,070' (36 holes).
- 3. Set an RBP with ball catcher on tubing at +/- 5,200'. Acidize with 1200 gallons of 15% IC HCL with cationic surfactants at a 2-3 BPM rate, dropping 54 ball sealers evenly. RU a swab and recover the acid load and test the perfs.
- If this zone shows decent production, turn the well over to production. If it is not productive on its own, move up and perforate Wolfcamp 4,963'-4,980' (60 holes).
 Release the packer and RBP, move up and straddle Wolfcamp 4,963'-4,980', acidize
- 5. Release the packer and RBP, move up and straddle Wolfcamp 4,963'-4,980', acidize with 1200 gallons of 20% IC HCL with cationic surfactants at a 2-3 BPM rate, dropping 90 ball sealers evenly. RU a swab and recover the acid load.
- 6. If both zones are productive, set a CIBP at 5,280' with 35' of cement on top to set a plug on the current nonproductive zone. If only upper zone is productive, set a CIBP at 5,010'. If neither zones are productive, set a CIBP at 4,913' with 35' cement on top. If zones are productive, but need to add Abo to production, first set the CIBP at 5,280' with 35' cement, then set a composite plug at 4,750' and perforate Abo 4,386'-4,650' (38 holes).
- 7. Spot 1000 gallons 7-1/2% IC HCL spearhead acid across the perfs, frac 4,386'-4,650' down the casing with 62,000 gallons of Quality CO2 foamed 35# linear gelled 7% KCL water carrying 160,000 pounds of 16/30 mesh Brady sand (treating schedule attached).
- 8. As a safety precaution, do not start flow back until WSC has had time to rig down their equipment and clear the area. Flow the well back until the well has cleaned up and the CO2 is gone, then turn to production. If the Wolfcamp zone is productive we will drill out the composite plug after a commingle order has been approved and commingle the Wolfcamp and Abo together.

If neither zone is productive, we will rig down and move off to evaluate the economics of testing San Andres or P&A.

Wellbore schematics attached

Régulatory Reporting Technician

28', 2014

Treating Schedule

lbs Proppant

Stage	gal.	Prop Conc				
Number		lb/gal	Stage	Cumulative	Proppant Type	CO2
1.	13000.	0.0	0.	0.	pad	65%
2	5000.	0.5	2500.	2500.	16/30 Brady sand	65%
3	5000.	1.0	5000.	7500.	16/30 Brady sand	65%
4	5000.	2.0	10000.	17500.	16/30 Brady sand	65%
5	7500.	3.0	22500.	40000.	16/30 Brady sand	65%
6	7500.	4.0	30000.	70000.	16/30 Brady sand	65%
7	5000.	5.0	25000.	95000.	16/30 Brady sand	65%
8	5000.	6.0	30000.	125000.	16/30 Brady sand	65%
9	5000.	7.0	35000.	1.60000.	16/30 Brady sand	65%
10 +/	- 4386.	0.0	0.	0.	flush	65%

Estimated highest Surface Treating Pressure @ 60 BPM = 3,750 psi.

	CZI, T95, RZGE, Chaves Co, NM.
	CASING PROGRAM
PUD DATE: 4//2/0/ COMPLETION DATE:	SIZEWT/GR/CONN DEPTH SET
OMMENTS:	8 9/8", 24.0 #/ft, J-55 STA 1, 110'
12/4"hole 8 5/4"s	BEFORE BEFORE CMT D W/ 600 SACKS CMT CITC TO SUTFACE
7 1/8" hole	780' +/-
Wolfcamp 7721	
CiBP @ 5460 + PENN 5,4981-5, CiBP @ 5790 Ordovician 5,800' - 5	147 W/2jspf Spear Zone 147 W/6jspf in 4 intervals 1814 W/2jspf W/587sacks of cement

· · · · · · · · · · · · · · · · · · ·	
ELLNAME: VISTA AVS STATE #2 FIELD	E D
	FOOT RANCH
OCATION: 1980' FNI & 1980 FWL, Sec 1.3760' ZERO: AGI: KB: 3,771'	21, T95, R26E, Chaves Co, NM.
	CASING PROGRAM
PUD DATE: 4/12/0/ COMPLETION DATE:	SIZEMT/GR/CONN DEPTH SET
OMMENTS:	898", 24.0 #/ft J-55, STA 1, 1/0"
	41/2", 11.60#1ft, P-110, LTA 6, 130'
12 1/1/1	
12/4 hole }	A
	AFTER
\mathcal{Y}	
2 25/" 50	te 1,110', cmtp W/600 sacks cmt circ to surface
0./3	CMT CICC to SURFACE
7/8" hole ()	
	100' +/
Toc: 3.7	80 7
	The second of th
ABO 4386	3-90,4,470-74, 4,542-50, 68-71, 4,612-16, 44-50 (15pf
The wolfers	7: 4,963-68, 4,970-80 w/ 4spf
the workampi	
Wolfcamp B	: 5,061 - 5,070 w/ 4spf
Alallania (Co	
	W/zjspf Speam Zone
	W/ S/SP1 SPEAR ZONE
CIBP & S460 + PENN	
35°CM 54981-57	47 W/ 6 15pf in 4 intervals
CIBP @ 5790 Ordevicion 5,800' - 5,8/	Setting the second and the Set The Set of the second state and the second secon
+35 cm 5 800' - 501	14' W/25spf
BTD: 6,084' 8 2416" CMID W	1/587 sacks of cement
THE COULD A	11 20104 73 01 (01/00)
TD: / 1201	DATE: 5/3/01 JWP
TD: 6,130 - SKETCH NOT TO SCA	LE •

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4 Property Code

26230

⁷OGRID No.

¹ API Number

30-005-63262

State of New Mexico Energy, Minerals & Natural Resources Department, 2014

² Pool Code

82730

OIL CONSERVATION DIVISION

RECEIVED

3 Pool Name Pecos Slope; Abo

Certificate Number

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office NMOCD ARTESIA

1220 South St. Francis Dr. Santa Fe, NM 87505

☐ AMENDED REPORT

⁶ Well Number

⁹ Elevation

WELL LOCATION AND ACREAGE DEDICATION PLAT

⁵ Property Name

Vista AVS State

8 Operator Name

025575		Yates Petroleum Corporation									3,760' GR	
¹⁰ Surface Location												
UL or lot no.	Section	Townshi	p Range	Lot Io	dn	Feet from the	North/South line	Feet	from the	East/West	t line	County
F	21	9 S	26E			1980	North		1980	West	:	Chaves
" Bottom Hole Location If Different From Surface												
UL or lot no.	Section					Feet from the	North/South line	Feet from the		East/West line		County
12 Dedicated Acres 13 Joint or Infill 14 Consolidation Code 160			Code	15 Oro	der No.							
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.												
						ty that the information my knowledge and againterest or unlead to the information of the	CERT: well loca eld notes y supervite to the be	ind herein is true and complete that this organization either interest in the land including iight to drill this well at this or of such a mineral or working to ra compulsory pooling S/28/14 Date Date IFICATION Ition shown on this of actual surveys ision, and that the est of my belief.				