

P.O. Box 1980
Tobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV

NEW MEXICO
Energy Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

FORM C-170
Originated 11/1/95

Submit Original
Plus 2 Copies
to appropriate
District Office

H-0112

APPLICATION FOR
QUALIFICATION OF WELL WORKOVER PROJECT
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: Yates Petroleum Corporation OGRID #: 25575
Address: 105 South 4th Street Artesia, NM 88210
Contact Party: Theresa Sloan Phone: (505) 748-4181
- II. Name of Well: Hanladdie "WR" State #3 API #: 30-025-28236 28326
Location of Well: Unit Letter F, 2310 Feet from the North line and 2310 feet from the West line,
Section 16, Township 14S, Range 33E, NMPM, Lea County
- III. Date Workover Procedures Commenced: 8/17/95
Date Workover Procedures were Completed: 8/23/95
- IV. Attach a description of the Workover Procedures undertaken to increase the production from the Well.
Please refer to attached Sundry Notice.
- V. Attach an estimate of the production rate of the Well (a production decline curve or other acceptable method, and table showing monthly oil and/or gas Project Production) based on at least twelve (12) months of established production which shows the future rate of production based on well performance prior to performing Workover.
- VI. Pool(s) on which Production Projection is based: Saunders Permo Upper Penn

VII. AFFIDAVIT:

State of New Mexico)
County of Eddy) ss.

Theresa Sloan, being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
3. To the best of my knowledge, the data used to prepare the Production Projection for this Well is complete and accurate and this projection was prepared using sound petroleum engineering principles.

Theresa Sloan
(Name) Theresa Sloan

Petroleum Engineer
(Title)

SUBSCRIBED AND SWORN TO before me this 9th day of Aug., 1996

Corinne Guzmán
Notary Public

My Commission expires: 12-5-99

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of Well Workover Project is hereby approved and the above referenced Well is designated as a Well Workover Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). The Oil Conservation Division hereby verifies the Production Projection for the Well Workover Project attached to this application. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 8/23, 1996

Paul J. Ruddy
District Supervisor, District 1
Oil Conservation Division **Geologist**
Date: 8/19/96

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.

DATE: _____

2
AUG 1996
received
HDDs
UCD

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240DISTRICT II
P.O. Drawer DD, Artesia, NM 88210DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

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

WELL API NO.

30-025-28326

5. Indicate Type of Lease

STATE ☒FEE ☐

6. State Oil & Gas Lease No.

K-6444

7. Lease Name or Unit Agreement Name

Hanladdie WR State

8. Well No.

3

9. Pool name or Wildcat

Saunders Permo Upper Penn

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 ☒GAS
WELL ☐

OTHER

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address of Operator

105 South 4th St., Artesia, NM 88210

4. Well Location

Unit Letter F : 2310 Feet From The North Line and 2310 Feet From The West LineSection 16Township 14SRange 33E

NMPM

Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

4221.2' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐PULL OR ALTER CASING ☐OTHER: Perforate & acidize Bough D & E ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐PLUG AND ABANDONMENT ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐

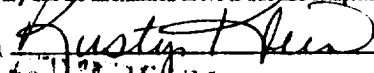
12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Propose to perforate and acidize Bough D & E and put well on pump as follows:

1. RIH and tag TD. NOTE: Proposed lower perms are close to PBTD at 10124'.
2. POOH with rods, pump and tubing.
3. Perforate Bough E as follows: 10086, 87, 90, 91, 10109, 110 & 10111' (7 holes - 1 SPF).
4. RIH with tubing and packer. Set packer at 10050'±. Acidize perforations 10086-10111' with 1800 gallons 15% NEFE acid with scale inhibitor and ball sealers.
5. Swab test.
6. RIH with tubing, packer and RBP. Set RBP at 10060' and test RBP.
7. Perforate Bough D as follows: 9976, 78, 79, 92, 93, 98, 99, 10014, 15, 23, 24 & 10025' (12 holes - 1 SPF).
8. RIH with tubing and packer. Set packer at 9960'±. Acidize perforations 9976-10025' with 3000 gallons 15% NEFE acid w/scale inhibitor & ball sealers. Swab test.
9. POOH with tubing, packer & RBP. Put well on pump.

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

SIGNATURE



TITLE

Production Clerk

DATE

4-27-95

TYPE OR PRINT NAME

Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

APPROVED BY

TITLE

DATE

MAY 04 1995

CONDITIONS OF APPROVAL, IF ANY:

District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240DISTRICT II
P.O. Drawer DD, Artesia, NM 88210DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OI CONSERVATION DIVISION

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

ALL API NO.

30-025-28326

5. Indicate Type of Lease

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Hanladdie WR State

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Saunders Permo Upper Penn

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(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 ☒GAS
WELL ☐

OTHER

2. Name of Operator

YATES PETROLEUM CORPORATION

3. Address of Operator

105 South 4th St., Artesia, NM 88210

4. Well Location

Unit Letter F : 2310 Feet From The North Line and 2310 Feet From The West LineSection 16Township 14SRange 33E

NMPM

Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

4221.2' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:PERFORM REMEDIAL WORK ☐PLUG AND ABANDON ☐REMEDIAL WORK ☐ALTERING CASING ☐TEMPORARILY ABANDON ☐CHANGE PLANS ☐COMMENCE DRILLING OPNS. ☐PLUG AND ABANDONMENT ☐PULL OR ALTER CASING ☐CASING TEST AND CEMENT JOB ☐OTHER: ☐OTHER: Add perforations and acidize ☒

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.

8-18-95 - Moved in and rigged up pulling unit. TOOH with rods and pump. Nippled up BOP. Unset tubing anchor. Picked up 3 joints of 2-7/8" tubing and tagged bottom. Strapped out of hole with tubing and tubing anchor. Rigged up wireline. TIH with gauge ring and junk basket. Tagged up at 10038'. TOOH with gauge ring and junk basket. TIH with logging tools and ran GR/CCL log. TOOH with wireline. Shut down.

8-18-21-95 - Rigged up wireline. TIH with 4" casing guns and perforated 9976-10025' w/12 .42" holes as follows: 9976, 78, 79, 92, 93, 98, 99, 10014, 15, 23, 24 and 10025'. TOOH with casing guns and rigged down wireline. TIH with packer and tubing. NOTE: Hydrotesting tubing in hole - tested tubing to 5000 psi. Tagged at 8042'. Moved up and set packer at 8002'. Tested annulus to 500 psi, OK. Shut down.

8-22-95 - Pressured annulus to 500 psi, OK. Acidized perforations 9777-10025' with 14500 gallons 15% NEFE acid with 2 drops of rock salt (1500# each drop) and 3 drops of ball sealers. Released well to production department.

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

Aug. 25, 1995

TYPE OR PRINT NAME

Rusty Klein

TELEPHONE NO. 505/748-1471

(This space for State Use)

ORIGINAL

SEP 5 1995

APPROVED BY

TITLE

DATE

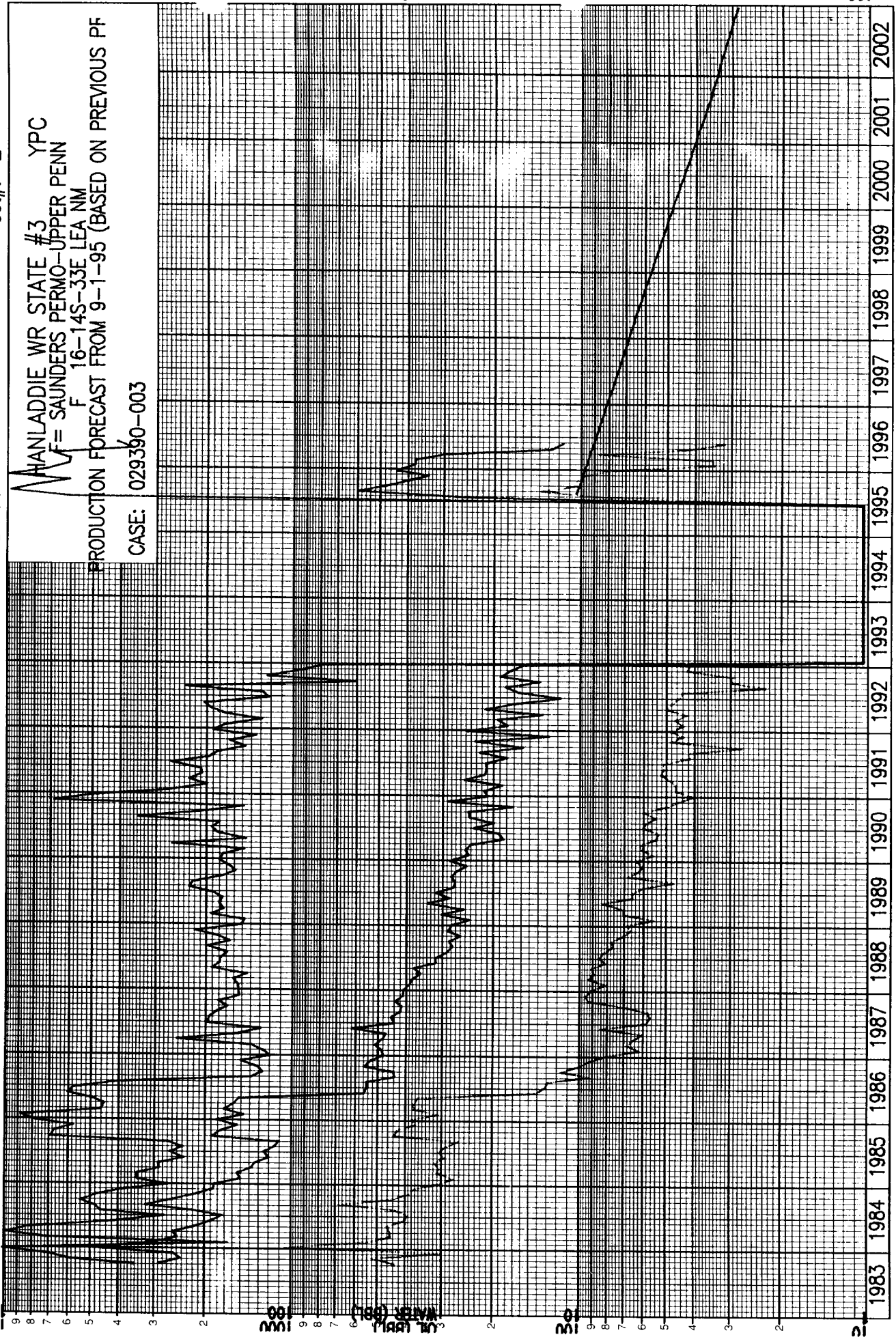
CONDITIONS OF APPROVAL, IF ANY:

Date: 08/09/96
Time: 13:17:14

PRODUCTION HISTORY

File: HANWR3
Get#: 2

HANLADDIE WR STATE #3 YPC
F= SAUNDERS PERMO-UPPER PENN
F 16-14S-33E LEA NM
PRODUCTION FORECAST FROM 9-1-95 (BASED ON PREVIOUS PF
CASE: 029390-003



CUMULATIVE OIL (BBL)= 88490.

DPC & A

YEARS

SL 20 3 3

CUMULATIVE GAS (MCF)= 103290.

HANLADDIE WR STATE #3
Yates Petroleum Corp.
F = Saunders Permo - Upper Penn
F 16-14S-33E Lea, NM

<u>GROSS PRODUCTION</u>				<u>GROSS PRODUCTION</u>			
<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>	<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>
9	95	99	0	5	99	52	0
10	95	98	0	6	99	52	0
11	95	97	0	7	99	51	0
12	95	95	0	8	99	50	0
1	96	93	0	9	99	49	0
2	96	93	0	10	99	49	0
3	96	91	0	11	99	48	0
4	96	89	0	12	99	47	0
5	96	89	0	1	0	47	0
6	96	87	0	2	0	46	0
7	96	86	0	3	0	45	0
8	96	84	0	4	0	45	0
9	96	84	0	5	0	44	0
10	96	82	0	6	0	43	0
11	96	81	0	7	0	43	0
12	96	80	0	8	0	42	0
1	97	78	0	9	0	42	0
2	97	78	0	10	0	41	0
3	97	76	0	11	0	40	0
4	97	76	0	12	0	40	0
5	97	74	0	1	1	39	0
6	97	73	0	2	1	38	0
7	97	72	0	3	1	39	0
8	97	71	0	4	1	37	0
9	97	70	0	5	1	37	0
10	97	69	0	6	1	36	0
11	97	68	0	7	1	36	0
12	97	67	0	8	1	36	0
1	98	67	0	9	1	35	0
2	98	65	0	10	1	34	0
3	98	64	0	11	1	34	0
4	98	63	0	12	1	33	0
5	98	63	0	1	2	33	0
6	98	61	0	2	2	33	0
7	98	61	0	3	2	32	0
8	98	59	0	4	2	31	0
9	98	59	0	5	2	31	0
10	98	58	0	6	2	31	0
11	98	57	0	7	2	30	0
12	98	57	0	8	2	30	0
1	99	55	0	9	2	29	0
2	99	55	0	10	2	29	0
3	99	54	0	11	2	28	0
4	99	53	0	12	2	28	0

HANLADDIE WR STATE #3

Yates Petroleum Corp.

F = Saunders Permo - Upper Penn

F 16-14S-33E Lea, NM

GROSS PRODUCTION

<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>
1	3	28	0
2	3	27	0
3	3	27	0
4	3	26	0
5	3	27	0
6	3	25	0
7	3	26	0
8	3	25	0
9	3	24	0
10	3	24	0
11	3	24	0
12	3	24	0
1	4	23	0
2	4	23	0
3	4	23	0
4	4	22	0
5	4	22	0
6	4	21	0
7	4	22	0
8	4	21	0
9	4	20	0
10	4	21	0
11	4	20	0
12	4	19	0
1	5	20	0
2	5	19	0
3	5	19	0
4	5	19	0
5	5	18	0
6	5	18	0
7	5	18	0
8	5	18	0
9	5	17	0
10	5	17	0
11	5	17	0
12	5	17	0
1	6	16	0
2	6	16	0
3	6	16	0
4	6	16	0
5	6	15	0
6	6	16	0
7	6	15	0
8	6	14	0

GROSS PRODUCTION

<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>
9	6	15	0
10	6	14	0
11	6	15	0
12	6	13	0
1	7	14	0
2	7	14	0
3	7	13	0
4	7	13	0
5	7	13	0
6	7	13	0
7	7	13	0
8	7	12	0
9	7	12	0
10	7	13	0
11	7	11	0
12	7	12	0
1	8	12	0
2	8	11	0
3	8	11	0
4	8	11	0
5	8	11	0
6	8	11	0
7	8	11	0
8	8	10	0
9	8	10	0
10	8	11	0
11	8	10	0
12	8	9	0
1	9	10	0
2	9	10	0
3	9	9	0
4	9	9	0
5	9	10	0
6	9	9	0
7	9	8	0
8	9	9	0
9	9	9	0
10	9	8	0
11	9	9	0
12	9	8	0
1	10	8	0
2	10	8	0
3	10	8	0
4	10	8	0

HANLADDIE WR STATE #3

Yates Petroleum Corp.

F = Saunders Permo - Upper Penn

F 16-14S-33E Lea, NM

GROSS PRODUCTION				GROSS PRODUCTION			
<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>	<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>
5	10	8	0	1	14	4	0
6	10	7	0	2	14	4	0
7	10	8	0	3	14	4	0
8	10	7	0	4	14	4	0
9	10	7	0	5	14	4	0
10	10	8	0	6	14	4	0
11	10	7	0	7	14	3	0
12	10	7	0	8	14	4	0
1	11	6	0	9	14	4	0
2	11	7	0	10	14	3	0
3	11	7	0	11	14	4	0
4	11	6	0	12	14	3	0
5	11	7	0	1	15	3	0
6	11	6	0	2	15	4	0
7	11	7	0	3	15	3	0
8	11	6	0	4	15	3	0
9	11	6	0	5	15	4	0
10	11	6	0	6	15	3	0
11	11	6	0	7	15	3	0
12	11	6	0	8	15	3	0
1	12	5	0	9	15	3	0
2	12	6	0	10	15	3	0
3	12	6	0	11	15	3	0
4	12	5	0	12	15	3	0
5	12	6	0	1	16	3	0
6	12	5	0	2	16	3	0
7	12	5	0	3	16	2	0
8	12	5	0	4	16	3	0
9	12	5	0	5	16	3	0
10	12	6	0	6	16	3	0
11	12	5	0	7	16	2	0
12	12	4	0	8	16	3	0
1	13	5	0	9	16	2	0
2	13	5	0	10	16	3	0
3	13	5	0	11	16	2	0
4	13	4	0	12	16	3	0
5	13	5	0	1	17	2	0
6	13	4	0	2	17	2	0
7	13	5	0	3	17	3	0
8	13	4	0	4	17	2	0
9	13	4	0	5	17	2	0
10	13	5	0	6	17	3	0
11	13	4	0	7	17	2	0
12	13	4	0	8	17	2	0

HANLADDIE WR STATE #3
Yates Petroleum Corp.
F = Saunders Permo - Upper Penn
F 16-14S-33E Lea, NM

<u>GROSS PRODUCTION</u>			
<u>MONTH</u>	<u>YEAR</u>	<u>OIL</u> <u>(Bbl)</u>	<u>GAS</u> <u>(Mcf)</u>
9	17	2	0
10	17	2	0
11	17	2	0
12	17	2	0
1	18	2	0
2	18	2	0
3	18	2	0
4	18	2	0
5	18	2	0
6	18	2	0
7	18	2	0
8	18	2	0
9	18	2	0
10	18	1	0
11	18	2	0
12	18	2	0
1	19	2	0
2	19	1	0
3	19	2	0
4	19	1	0
5	19	2	0
6	19	2	0
7	19	1	0
8	19	2	0
9	19	1	0
10	19	2	0
11	19	1	0
12	19	2	0
1	20	1	0
2	20	2	0
2	21	8	0
S TOT	0	6795	0
AFTER	0	0	0
TOTAL	0	6795	0

Yates Pet. - Hanladdie "WR" State #3 (Unit F) 16-14S-33E Lea County,
*****New Mexico*****

8-15-95 Move in service unit to add pay and stimulate in Bough-C.
8-16-95 Plan to move in service unit Wednesday evening.
8-17-95 Dig workover pit. Moved in pulling unit. Prep to rig up pulling unit and add Bough "D" and "E". DC \$1790; CC \$1790
8-18-95 Rigged up pulling unit. TOH with rods and pump. Nippled up BOP. Unset tubing anchor. Picked up 3 joints 2-7/8" J-55 tubing. Tagged bottom. Strapped out of hole with 2-7/8" J-55 tubing and tubing anchor. SLM 10,082'. Rigged up wireline. TIH with gauge ring and junk basket. Tagged up at 10,038'. TOH with gauge ring and junk basket. TIH with logging tools. Correlated logging tool into place and ran GR/CCL log from 10,038-8000'. TOH with wireline. Shut down. Prep to run bulldog bailer to clean out fill. DC \$4185; CC \$5975
8-18-21-95 Rigged up wireline. TIH with 4 casing guns. Correlated guns into place and perforate (1 SPF - 180 deg phasing) with 12 - .42 holes as follows: 9976, 78, 79, 92, 93, 98, 99, 10,014, 15, 23, 24, and 10,025. TOH with 4 casing guns and rigged down wireline. TIH with packer and 2-7/8 J-55 (hydrotesting tubing in hole - tested tubing to 5000 psi). Tagged at 8042. Moved up and set packer at 8002. Rigged up and tested annulus to 500 psi, OK. Shut down. Prep to acidize. DC \$7525; CC \$13,500
8-22-95 Pressured annulus to 500 psi. Rigged up Halliburton and acidized perfs 9777-10,025' with 14,500 gals 15% NEFE acid with 2 drops of rock salt (1500# each drop) and 3 drops of balls (20 balls each drop). Avg 6.1 BPM @ 89 psi. With 2nd set of balls on perfs, pressure went up to 4200 psi, then broke back to 100 psi. ISDP vacuum. Total load to recover 484 bbls. Prep to put well back on production. DC \$20,628; CC \$34,128
8-23-95 Unset packer. TOH with 2-7/8" tubing and packer. Turned well over to production to hang well on pump. DC \$1672; CC \$35,800
8-24-95 Returned to production. FINAL REPORT