

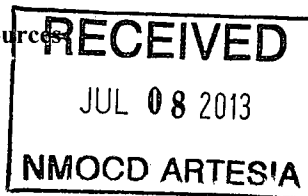
District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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 30-015-28489
⁴ Property Code 20908	⁵ Property Name Julie Com	⁶ Well No. 3

⁷ Surface Location

UL - Lot A	Section 17	Township 19S	Range 25E	Lot Idn	Feet from 660	N/S Line North	Feet From 660	E/W Line East	County Eddy
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⁸ Pool Information

N. Seven Rivers; Glorieta-Yeso	97565	☒
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Additional Well Information

⁹ Work Type P	¹⁰ Well Type O	¹¹ Cable/Rotary N/A	¹² Lease Type Fee	¹³ Ground Level Elevation 3516'GL
¹⁴ Multiple N	¹⁵ Proposed Depth N/A	¹⁶ Formation Yeso	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. Rig up all safety equipment as needed. Run a GR/JB to 9010'. Set a CIBP at 9003' with 35' cement on top. Set a 35 sx Class "H" cement plug from 7512'-7692' across Canyon top. Spot a 30 sx Class "C" cement plug from 5872'-6052' across stage tool. WOC and tag plug, reset if necessary. Spot a 30 sx Class "C" cement plug from 5473'-5653' across Wolfcamp top. Spot a 30 sx Class "C" cement plug from 4840'-5020' across Abo top. Pressure test casing to 3000 psi and chart it for BLM. Pull CBL/CCL/GR from PBTD to surface. If TOC is below 1700'; perforate 50' above TOC, establish circulation, set a retainer 30' above squeeze perfs and pump enough Class "C" cement to circulate cement to surface. Drill out retainer and test squeeze perfs to 2500 psi. Perforate Yeso 2324'-2470' (59). Frac well as attached. Flow well back and allow well to clean up. Clean out casing to 3000'. Swab well until it cleans up. TIH with pumping equipment and turn well over to production. Wellbore schematics attached.

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 2, 2013

Phone: 575-748-4168

OIL CONSERVATION DIVISION

Approved By:

T. C. Shepard

Title:

Geologist

Approved Date:

7/9/2013

Expiration Date:

7/9/2015

Conditions of Approval Attached

Provide C102

Treating Schedule

Stage	Stage	Fluid	Clean	Slurry	Clean	Slurry	Proppant		Slurry	Time	Time	Total	Cum.	Prop	%
Number	Description	Description	Size	Size	Size	Size	Conc.	Blander	Rate	Stage	Cum	Prop	Prop	Type	Prop
			(Gal)	(Gal)	(BBLs)	(BBLs)	(FPA)		(BPM)	(Min.)	(Min.)	(Lbs.)	(Lbs.)		Stage
1	Prepad	Slick Water	1,000	1,000	24	24	0	0	20	0.3	0.3	0	0		0.0
2	Acid	20% HCL	4,000	4,000	95	95	0	0	20	1.4	1.4	0	0		0.0
2	Pad	Slick Water	50,000	50,000	1,190	1,190	0	0	70	17.0	17.0	0	0		0.0
3	Slurry	Slick Water	4,500	4,541	107	108	0.2	0.2	70	1.5	1.9	900	900	100 Mesh	0.4
4	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	3.4	0	900		0.0
5	Slurry	Slick Water	4,500	4,562	107	109	0.3	0.3	70	1.8	5.0	1,350	2,250	100 Mesh	0.6
6	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	6.5	0	2,250		0.0
7	Slurry	Slick Water	4,500	4,582	107	109	0.4	0.4	70	1.8	8.1	1,800	4,050	100 Mesh	0.7
8	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	9.6	0	4,050		0.0
9	Slurry	Slick Water	4,500	4,603	107	110	0.5	0.5	70	1.8	11.2	2,250	6,300	100 Mesh	0.9
10	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	12.7	0	6,300		0.0
11	Slurry	Slick Water	4,500	4,623	107	110	0.6	0.6	70	1.6	14.3	2,700	9,000	100 Mesh	1.1
12	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	15.8	0	9,000		0.0
13	Slurry	Slick Water	4,500	4,644	107	111	0.7	0.7	70	1.6	17.4	3,150	12,150	100 Mesh	1.3
14	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	18.9	0	12,150		0.0
15	Slurry	Slick Water	4,500	4,664	107	111	0.8	0.8	70	1.6	20.5	3,600	15,750	100 Mesh	1.5
16	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	22.0	0	15,750		0.0
17	Slurry	Slick Water	4,500	4,685	107	112	0.9	0.9	70	1.6	23.6	4,050	19,800	100 Mesh	1.7
18	Sweep	Slick Water	4,500	4,500	107	107	0	0	70	1.5	25.1	0	19,800		0.0
19	Slurry	Slick Water	4,500	4,705	107	112	1	1	70	1.6	26.7	4,500	24,300	100 Mesh	1.9
20	Sweep	Slick Water	10,700	10,700	255	255	0	0	70	3.6	30.4	0	24,300		0.0
21	Slurry	Slick Water	10,700	10,798	255	257	0.2	0.2	70	3.7	34.0	2,140	26,440	40/70	0.9
22	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	36.1	0	26,440		0.0
23	Slurry	Slick Water	10,700	10,846	255	258	0.3	0.3	70	3.7	39.8	3,210	29,650	40/70	1.3
24	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	41.8	0	29,650		0.0
25	Slurry	Slick Water	10,700	10,895	255	259	0.4	0.4	70	3.7	45.5	4,280	33,930	40/70	1.8
26	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	47.8	0	33,930		0.0
27	Slurry	Slick Water	10,700	10,944	255	261	0.5	0.5	70	3.7	51.3	5,350	39,280	40/70	2.2
28	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	53.3	0	39,280		0.0
29	Slurry	Slick Water	10,700	10,993	255	262	0.6	0.6	70	3.7	57.1	6,420	45,700	40/70	2.6
30	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	59.1	0	45,700		0.0
31	Slurry	Slick Water	10,700	11,042	255	263	0.7	0.7	70	3.8	62.9	7,490	53,190	40/70	3.1
32	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	64.9	0	53,190		0.0
33	Slurry	Slick Water	10,700	11,090	255	264	0.8	0.8	70	3.8	68.7	8,560	61,750	40/70	3.5
34	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	70.7	0	61,750		0.0
35	Slurry	Slick Water	10,700	11,139	255	265	0.9	0.9	70	3.8	74.5	9,630	71,380	40/70	4.0
36	Sweep	Slick Water	6,000	6,000	143	143	0	0	70	2.0	76.5	0	71,380		0.0
37	Slurry	Slick Water	10,700	11,188	255	266	1	1	70	3.8	80.4	10,700	82,080	40/70	4.4
38	Pad	Slick Water	17,000	17,000	405	405	0	0	70	5.8	86.1	0	82,080		0.0
39	Slurry	Slick Water	17,000	17,775	405	423	1	1	70	6.0	92.2	17,000	99,080	16/30	7.0
40	Slurry	Slick Water	24,000	26,189	571	624	2	2	70	8.9	101.1	48,000	147,080	16/30	19.7
41	Slurry	Slick Water	32,000	36,378	762	866	3	3	70	12.4	113.5	96,000	243,080	16/30	39.5
42	Flush	Slick Water	8,000	8,000	190	190	0	0		2.7	138.0	0	243,080		0.0
	TOTALS		448,500	459,584	10,679	10,942				156		243,080			100.0

Estimated Surface Treating Pressure = 2,109 psig.
Maximum Surface Treating Pressure = 3,000 psig.

Fluid Specifications:

Slick Water - fresh water with 1.0 gal/M liquid friction reducer, 1 gal/M gas Surfactant, liquid biocide agent and an oxidizing breaker.

All chemicals are to be pumped on the fly.

YPC will provide:

23 clean frac tanks and a fresh water supply

Service company to provide: computer van with job reports, weight tickets, on location and QC lab van.

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 JUL 08 2013
 NMOCD ARTESIA

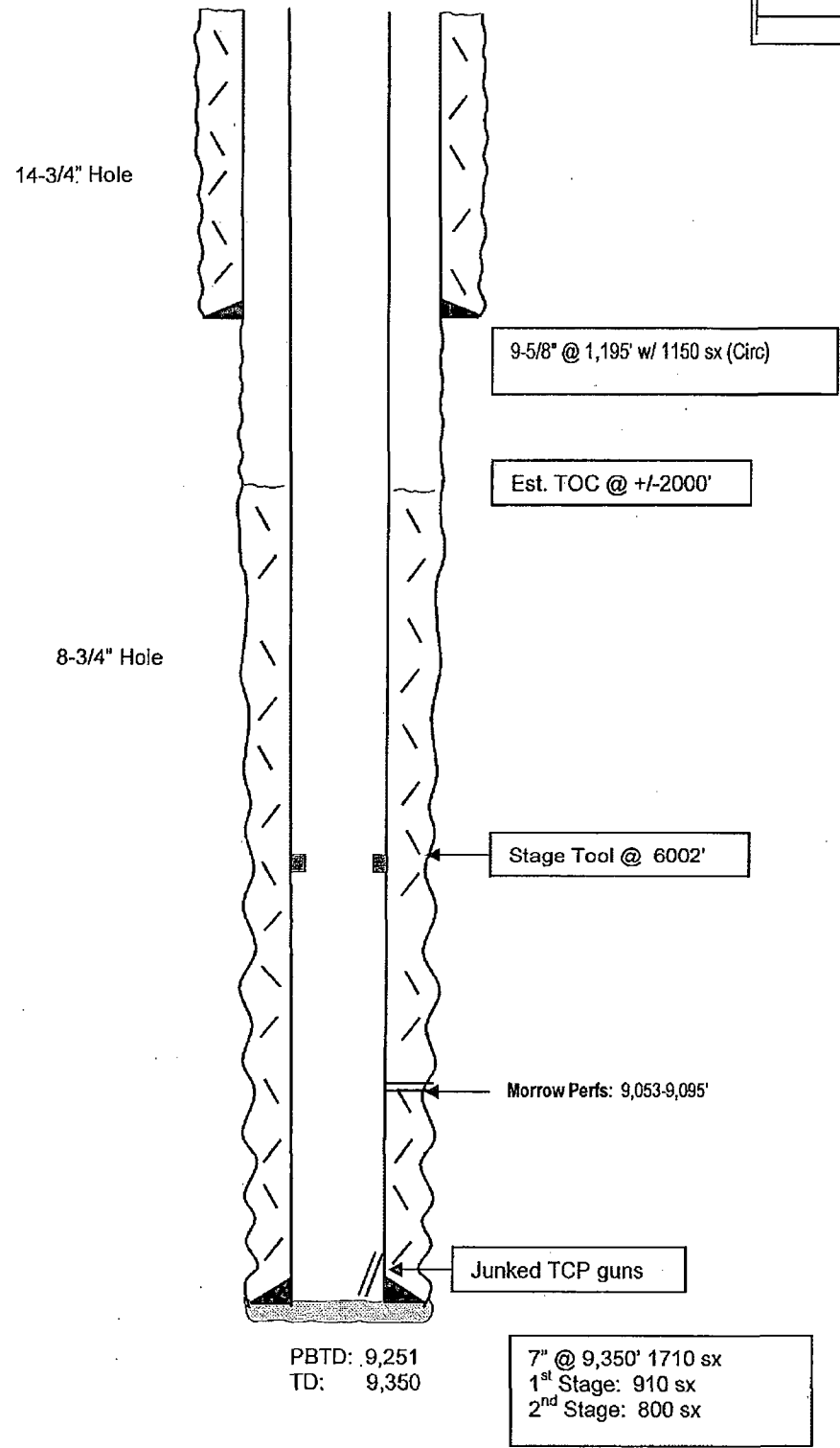
WELL NAME: Julie Com #3 FIELD: Boyd, Morrow
 LOCATION: 660' FNL & 660' FEL of Section 17-19S-25E Eddy Co., NM
 GL: 3,516' ZERO: KB:
 SPUD DATE: 8/23/95 COMPLETION DATE: 9/20/95
 COMMENTS: API No.: 30-015-28489

CASING PROGRAM

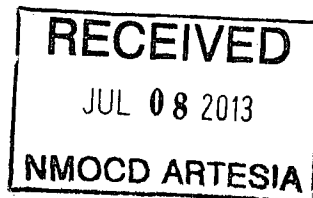
9-5/8" 36# J55/K55	1,195'
7" 26# K-55/L80	9,350'

Before

TOPS	
SA	645'
Glorieta	2,157'
BS	3,960'
Abo	4,970'
WC	5,603'
Penn	7,250'
Canyon	7,642'
Atoka	8,700'
Morrow	8,912'



Not to Scale
 1/8/09
 Hill



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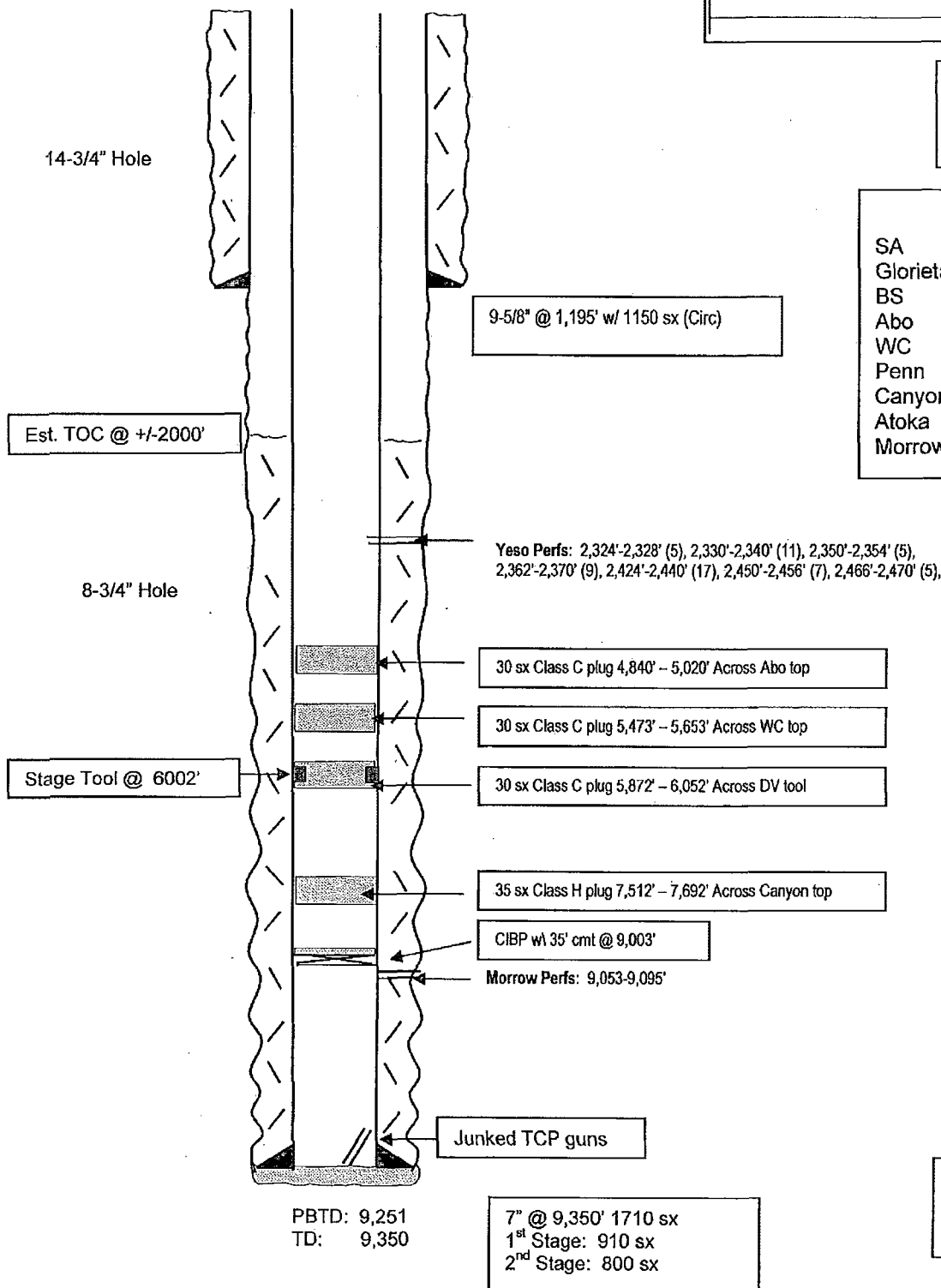
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Not to Scale
6/12/12
Hill