

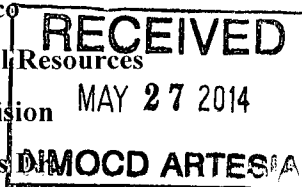
District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-1920

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 Drive
Santa Fe, NM 87505



Form C-101
Revised July 18, 2013

☐ 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, NM 88210		² OGRID Number 025575
		³ API Number 30-015-26364
⁴ Property Code 34689 313297	⁵ Property Name NDDUP Unit (Pincushion AHN #1)	⁶ Well No. 129

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
M	30	19S	25E		660	South	660	West	Eddy

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

Pool Name	Pool Code
N. Seven Rivers; Glorieta-Yeso	97565

Additional Well Information

¹¹ Work Type P	¹² Well Type O	¹³ Cable/Rotary NA	¹⁴ Lease Type P	¹⁵ Ground Level Elevation 3,566' GR
¹⁶ Multiple N	¹⁷ Proposed Depth NA	¹⁸ Formation Yeso	¹⁹ Contractor NA	²⁰ Spud Date NA
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. 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

Refer to page 2

22. Proposed Blowout Prevention Program

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

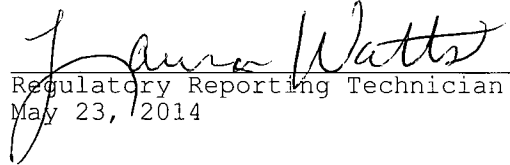
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐ , if applicable. Signature: <i>Laura Watts</i>		OIL CONSERVATION DIVISION	
Printed name: Laura Watts		Approved By: <i>T.C. Shepard</i>	
Title: Regulatory Reporting Technician		Title: "Geologist"	
E-mail Address: laura@yatespetroleum.com		Approved Date: <i>5-30-2014</i> Expiration Date: <i>5-30-2016</i>	
Date: May 23, 2014	Phone: 575-748-4272	Conditions of Approval Attached	

Proposal to Plugback:

Yates Petroleum Corporation plans to plugback and recompleate this well as follows:

1. MIRU all safety equipment necessary. NU BOP.
2. Run a GR/JB to 7,650'. Set a CIBP at 7,640' and cap it with 25 sx of Class "H" cement, this will place a plug over the open Canyon perforations.
3. Load the hole with plugging mud then spot a 30 sx Class "C" plug from 5,303' to 5,473'. This will leave a plug across the Wolfcamp top. Set a 30 sx Class "C" plug from 5,077' to 5,247' across the stage tool. WOC and tag, if necessary reset this plug. Set a 30 sx Class "C" plug from 3,830' to 4,000' across the Bone Spring top. WOC and pressure test the casing to 3000 psi.
4. Verify the TOC. Perforate Yeso 2,482'-2,666' (43 holes).
5. Pump a fracture treatment (treating schedule A attached) down the 7" casing limiting the surface treating pressure to 3000 psig. Set a pop off valve at 3500 psi. Over flush the bottom perforations by 600 bbls.
6. Set a 7" frac plug at 2,450' then perforate Yeso 2,342'-2,408' (40 holes).
7. Pump a fracture treatment (treating schedule B attached) down the 7" casing limiting the surface treating pressure to 3000 psig. Set a pop off valve at 3500 psi. Over flush the bottom perforations by 600 bbls.
8. Flow the well back and allow the well to clean up. Wash sand and drill out the frac plug and clean out to the PBTD.
9. TIH with 7" TAC and 2.875" tubing. Swab the well until it cleans up, then TIH with pumping equipment and turn the well to production.

Wellbore schematics attached


Regulatory Reporting Technician
May 23, 2014

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

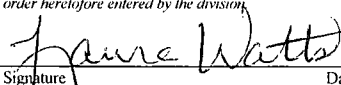
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-26364	² Pool Code 97565	³ Pool Name N. Seven Rivers; Glorieta-Yeso
⁴ Property Code 34639 313297	⁵ Property Name NDDUP Unit (Pincushion AHN #1)	⁶ Well Number 129
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation	⁹ Elevation 3,566' GR

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	30	19S	25E		660	South	660	West	Eddy

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
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order 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.

¹⁶				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  5/28/14 Signature Date Laura Watts Printed Name laura@yatespetroleum.com E-mail Address
				¹⁸ SURVEYOR CERTIFICATION <i>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.</i> Date of Survey Signature and Seal of Professional Surveyor: Certificate Number
660'				

Treating Schedule A

Sta. #	Fluid	Stg. Type	Cln. Vol. (gals)	Rate (bpm)	Proppant	Conc. (lb/gal)	Stage Prop. (lbs)	Cum. Prop. (lbs)
1	Slick Water	Prepad	100	20		0.0	0	0
2	20% HCL	Acid	4,000	50		0.0	0	0
3	Slick Water	Prepad	2,000	100		0.0	0	0
4	Slick Water	Pad	56,000	100		0.0	0	0
5	Slick Water	Slurry	4,500	100	100 Mesh	0.2	900	900
6	Slick Water	Sweep	4,500	100		0.0	0	900
7	Slick Water	Slurry	4,500	100	100 Mesh	0.3	1,350	2,250
8	Slick Water	Sweep	4,500	100		0.0	0	2,250
9	Slick Water	Slurry	4,500	100	100 Mesh	0.4	1,800	4,050
10	Slick Water	Sweep	4,500	100		0.0	0	4,050
11	Slick Water	Slurry	4,500	100	100 Mesh	0.5	2,250	6,300
12	Slick Water	Sweep	4,500	100		0.0	0	6,300
13	Slick Water	Slurry	4,500	100	100 Mesh	0.6	2,700	9,000
14	Slick Water	Sweep	4,500	100		0.0	0	9,000
15	Slick Water	Slurry	4,500	100	100 Mesh	0.7	3,150	12,150
16	Slick Water	Sweep	4,500	100		0.0	0	12,150
17	Slick Water	Slurry	4,500	100	100 Mesh	0.8	3,600	15,750
18	Slick Water	Sweep	4,500	100		0.0	0	15,750
19	Slick Water	Slurry	4,500	100	100 Mesh	0.9	4,050	19,800
20	Slick Water	Sweep	4,500	100		0.0	0	19,800
21	Slick Water	Slurry	4,500	100	100 Mesh	1.0	4,500	24,300
22	Slick Water	Pad	10,700	100		0.0	0	24,300
23	Slick Water	Slurry	20,000	100	40/70 Brady	0.2	4,000	28,300
24	Slick Water	Sweep	6,000	100		0.0	0	28,300
25	Slick Water	Slurry	20,000	100	40/70 Brady	0.3	6,000	34,300
26	Slick Water	Sweep	6,000	100		0.0	0	34,300
27	Slick Water	Slurry	20,000	100	40/70 Brady	0.4	8,000	42,300
28	Slick Water	Sweep	6,000	100		0.0	0	42,300
29	Slick Water	Slurry	20,000	100	40/70 Brady	0.5	10,000	52,300
30	Slick Water	Sweep	6,000	100		0.0	0	52,300
31	Slick Water	Slurry	20,000	100	40/70 Brady	0.6	12,000	64,300
32	Slick Water	Sweep	6,000	100		0.0	0	64,300
33	Slick Water	Slurry	20,000	100	40/70 Brady	0.7	14,000	78,300
34	Slick Water	Sweep	6,000	100		0.0	0	78,300
35	Slick Water	Slurry	20,000	100	40/70 Brady	0.8	16,000	94,300
36	Slick Water	Sweep	6,000	100		0.0	0	94,300

37	Slick Water	Slurry	23,000	100	40/70 Brady	0.9	20,700	115,000
38	Slick Water	Sweep	6,000	100		0.0	0	115,000
39	Slick Water	Slurry	24,000	100	40/70 Brady	1.0	24,000	139,000
40	Slick Water	Pad	17,000	100		0.0	0	139,000
41	Slick Water	Slurry	17,000	100	16/30 Brady	1.0	17,000	156,000
42	Slick Water	Slurry	24,000	100	16/30 Brady	2.0	48,000	204,000
43	Slick Water	Slurry	32,000	100	16/30 Brady	3.0	96,000	300,000
44	Slick Water	Flush	30,000	100		0.0	0	300,000
	Totals						300,000	

Estimated Surface Treating Pressure = 2,523 psig.
Maximum Surface Treating Pressure = 3,000 psig.

Treating Schedule B

Sta. #	Fluid	Stg. Type	Cln. Vol. (gals)	Rate (bpm)	Proppant	Conc. (lb/gal)	Stage Prop. (lbs)	Cum. Prop. (lbs)
1	Slick Water	Prepad	100	20		0.0	0	0
2	20% HCL	Acid	4,000	50		0.0	0	0
3	Slick Water	Prepad	2,000	100		0.0	0	0
4	Slick Water	Pad	56,000	100		0.0	0	0
5	Slick Water	Slurry	4,500	100	100 Mesh	0.2	900	900
6	Slick Water	Sweep	4,500	100		0.0	0	900
7	Slick Water	Slurry	4,500	100	100 Mesh	0.3	1,350	2,250
8	Slick Water	Sweep	4,500	100		0.0	0	2,250
9	Slick Water	Slurry	4,500	100	100 Mesh	0.4	1,800	4,050
10	Slick Water	Sweep	4,500	100		0.0	0	4,050
11	Slick Water	Slurry	4,500	100	100 Mesh	0.5	2,250	6,300
12	Slick Water	Sweep	4,500	100		0.0	0	6,300
13	Slick Water	Slurry	4,500	100	100 Mesh	0.6	2,700	9,000
14	Slick Water	Sweep	4,500	100		0.0	0	9,000
15	Slick Water	Slurry	4,500	100	100 Mesh	0.7	3,150	12,150
16	Slick Water	Sweep	4,500	100		0.0	0	12,150
17	Slick Water	Slurry	4,500	100	100 Mesh	0.8	3,600	15,750
18	Slick Water	Sweep	4,500	100		0.0	0	15,750
19	Slick Water	Slurry	4,500	100	100 Mesh	0.9	4,050	19,800
20	Slick Water	Sweep	4,500	100		0.0	0	19,800
21	Slick Water	Slurry	4,500	100	100 Mesh	1.0	4,500	24,300
22	Slick Water	Pad	10,700	100		0.0	0	24,300
23	Slick Water	Slurry	20,000	100	40/70 Brady	0.2	4,000	28,300
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35	Slick Water	Slurry	20,000	100	40/70 Brady	0.8	16,000	94,300
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37	Slick Water	Slurry	23,000	100	40/70 Brady	0.9	20,700	115,000
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39	Slick Water	Slurry	24,000	100	40/70 Brady	1.0	24,000	139,000
40	Slick Water	Pad	17,000	100		0.0	0	139,000
41	Slick Water	Slurry	17,000	100	16/30 Brady	1.0	17,000	156,000
42	Slick Water	Slurry	24,000	100	16/30 Brady	2.0	48,000	204,000
43	Slick Water	Slurry	32,000	100	16/30 Brady	3.0	96,000	300,000
44	Slick Water	Flush	30,000	100		0.0	0	300,000
Totals							300,000	

Estimated Surface Treating Pressure = 2,423 psig.

Maximum Surface Treating Pressure = 3,000 psig.

WELL NAME: NDDUP Unit # 129 FIELD: Dagger Draw

LOCATION: 660' FSL & 660' FWL of Section 30-19S-25E Eddy Co., NM

GL: 3,566' ZERO: 15' KB: 3,581'

SPUD DATE: 06/28/90 COMPLETION DATE: 08/11/90

COMMENTS: API No.: 30-015-26364

(Formerly Pincushion "AHN" # 1)

CASING PROGRAM

9-5/8" 36# K-55	1,138'
Top	
7" 26# 8rd J-55 LT&C (124.19')	
7" 23# 8rd J-55 LT&C (895.08')	
7" 23# 8rd J-55 LT&C (3811.44')	
7" 26# 8rd J-55 LT&C (2734.95')	
7" 26# 8rd N-80 LT&C (568.29')	8,125'
Bottom	

14-3/4" Hole

TOC = Surface

8-3/4" Hole

9-5/8" @ 1,138' w/1,100 sx (Circ)

Before

TOPS

SA	588'
Glorieta	2,132'
Yeso	2,250'
BS	3,550'
WC	5,423'
Canyon	7,514'

DV tool @ 5,197'

Canyon Perfs: 7,690'-7,804' (42')
8-9-90 Acidized w/ 2,300 20% HCL
7-30-91 Acidized w/ 8,000 20% HCL

7" @ 8,125' w/
1st Stage: 825 sx (circ.)
2nd Stage: 1,000 sx (circ.)

FC: 8,076'
TD: 8,125'

Not to Scale
9/11/13
Mike Hill

WELL NAME: NDDUP Unit # 129

FIELD: Dagger Draw

LOCATION: 660' FSL & 660' FWL of Section 30-19S-25E Eddy Co., NM

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Bottom	

After

TOPS

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WC	5,423'
Canyon	7,514'

14-3/4" Hole

TOC = Surface

8-3/4" Hole

9-5/8" @ 1,138' w/1,100 sx (Circ)

Yeso Perfs: 2,342'-2,350' (9'),
2,378' - 2,408' (31)

Yeso Perfs: 2,482'-2,486' (5'),
2,506' - 2,516' (11), 2,598' - 2,606' (9),
2,640' - 2,644' (5), 2,654' - 2,666' (13)

30 sx Class "C" plug from 3,830' to 4,000' across BS top.

DV tool @ 5,197'

30 sx Class "C" plug from 5,077' to 5,247' across DV tool.

30 sx Class "C" plug from 5,303' to 5,473' across WC top.

CIBP @ 7,640' w/ 25 sx Class "H"

Canyon Perfs: 7,690'-7,804' (42')
8-9-90 Acidized w/ 2,300 20% HCL
7-30-91 Acidized w/ 8,000 20% HCL

7" @ 8,125' w/
1st Stage: 825 sx (circ.)
2nd Stage: 1,000 sx (circ.)

FC: 8,076'
TD: 8,125'

Not to Scale

9/11/13
Mike Hill