

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 30-015-26978
4. Property Code 12836	5. Property Name Thomas AJJ Com	6. Well No. 5

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
G	8	19S	25E		1980	N	1980	E	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 Penasco Draw; SA-Yeso	Pool Code 50270
---	---------------------------

Additional Well Information

11. Work Type P	12. Well Type O	13. Cable/Rotary NA	14. Lease Type P	15. Ground Level Elevation 3,553' GR
16. Multiple N	17. Proposed Depth NA	18. Formation Glorieta-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
	26"	20"	Conductor	40'	Redi-mix	Surface
	14-3/4"	9-5/8"	36#	1,089'	1500 sx	Surface
	8-3/4"	7"	23#,26#	8,200'	1650 sx	Surface

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: *Laura Watts*

Printed name: Laura Watts

Title: Regulatory Reporting Technician

E-mail Address: laura@yatespetroleum.com

Date: January 28, 2015

Phone: 575-748-4272

OIL CONSERVATION DIVISION

Approved By:

Dr. P. Supervisor

Title: *Dr. P. Supervisor*

Approved Date: *2/3/2015*

Expiration Date:


Conditions of Approval Attached

Proposal to recomplete:

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

1. NU BOP. Rig up all safety equipment as necessary.
2. POOH with existing production equipment.
3. Run a gauge ring to 7,736'. Set a CIBP at 7,726' and cap it with 25 sx of cement. Set a 50 sx plug from 5,396'-5,652' across the DV tool and Wolfcamp top. WOC and tag, reset if necessary. Spot a 30 sx plug from 4,075'-4,225' across the Abo top. Pressure test casing to 3000 psi.
4. Perforate Glorieta-Yeso 2,020' - 2,224' (86 holes).
5. Pump a fracture treatment (treating schedule attached) at 100 BPM down the 7" casing limiting the surface treating pressure to 3000 psi. Set a pop off valve at 3500 psi. Flush to the bottom perf and then over flush by 600 bbls.
6. Flow the well back and allow the well to clean up. TIH with tubing to check for fill and to ensure that the perforations are not covered.
7. TIH with 2.875" tubing. Swab the well until it cleans up. TIH with pumping equipment and turn the well over to production.

Wellbore schematics attached


Regulatory Reporting Technician
January 28, 2015

Treating Schedule

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	3,000	30		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	2,388	100		0.0	0	300,000
45	Slick Water	Flush	29,100	100		0.0	0	300,000
Totals							300,000	

Estimated Surface Treating Pressure = 2,223 psig.
Maximum Surface Treating Pressure = 3,000 psig.

WELL NAME: Thomas AJJ Com # 5 FIELD: North Dagger Draw Upper Penn

LOCATION: 1,980' FNL & 1,980' FEL of Section 08-19S-25E Eddy Co., NM

GL: 3,553' ZERO: -15' KB: 3,568'

SPUD DATE: 4/15/92 COMPLETION DATE: 05/10/92

COMMENTS: API No.: 30-015-26978

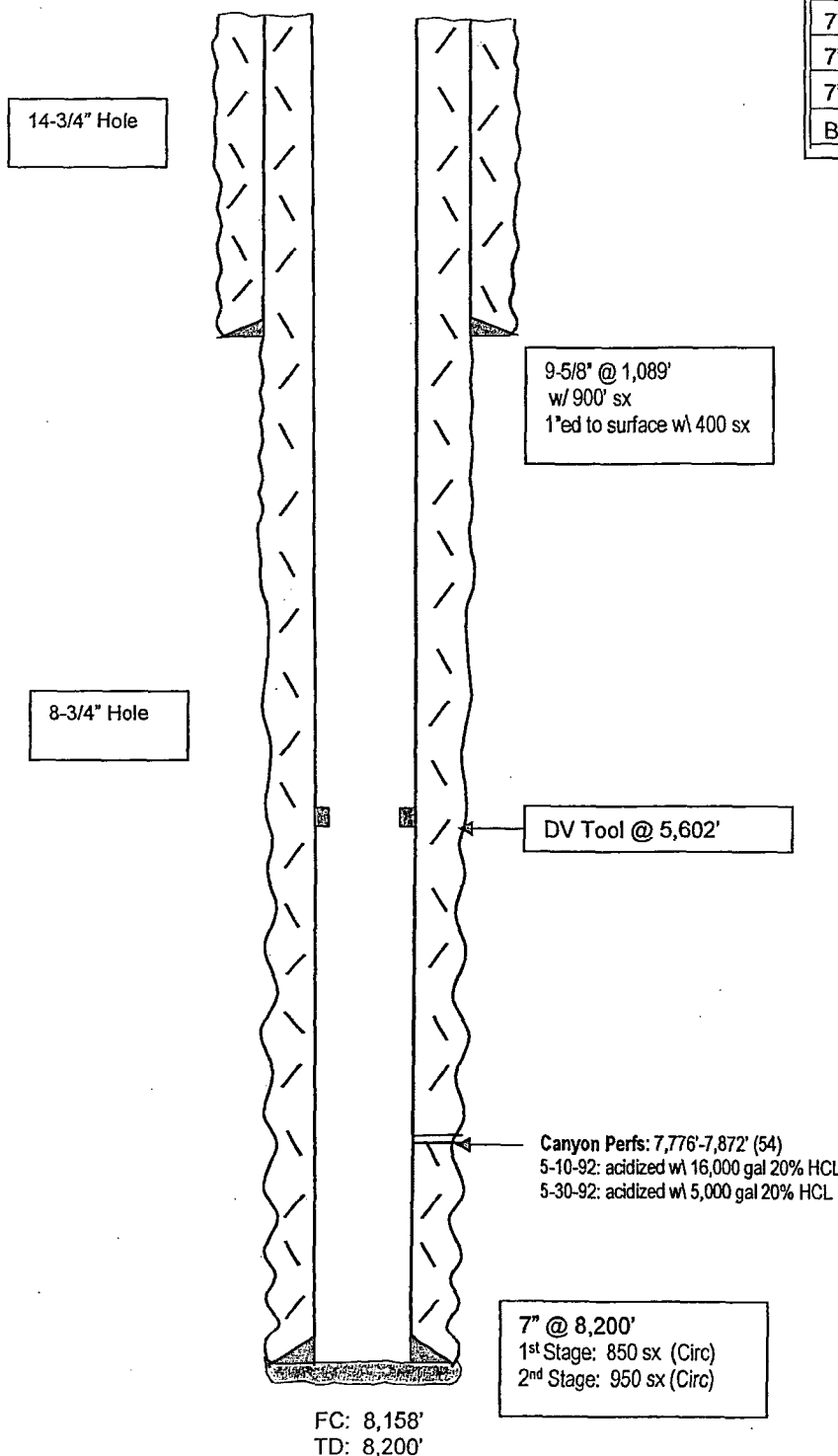
CASING PROGRAM

9-5/8" 36# J-55	1,089'
Surface	
7" 26# J-55	1194.83'
7" 23# J-55	3754.19'
7" 26# J-55	2603.89'
7" 26# N-80	649.45'
Bottom	8,200'

Before

TOPS

SA	538'
Glorieta	1,940'
Abo	4,175'
WC	5,446'
Canyon	7,605'



Not to Scale
4/01/14
JMH

WELL NAME: Thomas AJJ Com # 5 FIELD: North Dagger Draw Upper Penn

LOCATION: 1,980' FNL & 1,980' FEL of Section 08-19S-25E Eddy Co., NM

GL: 3,553' ZERO: -15' KB: 3,568'

SPUD DATE: 4/15/92 COMPLETION DATE: 05/10/92

COMMENTS: API No.: 30-015-26978

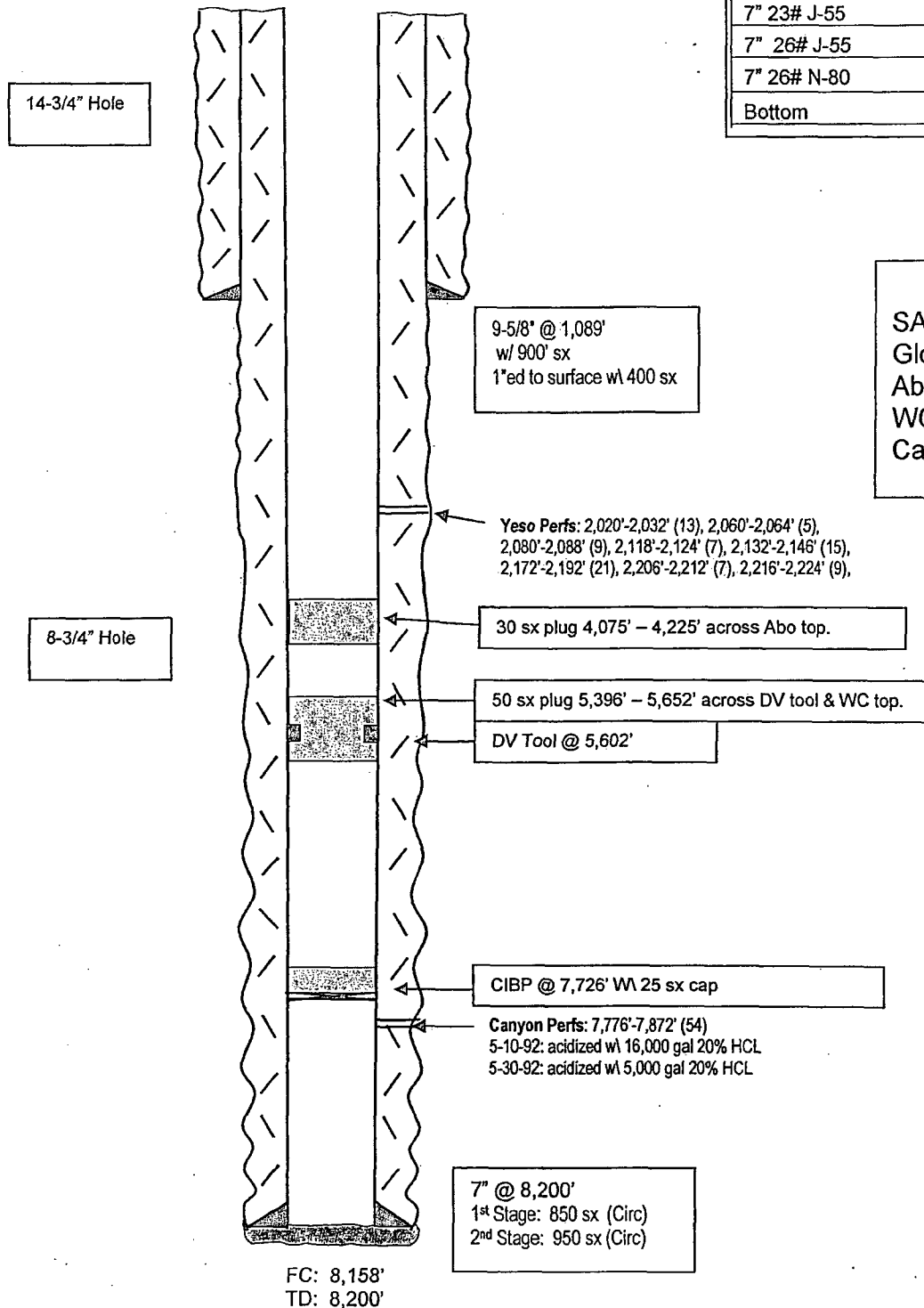
CASING PROGRAM

9-5/8" 36# J-55	1,089'
Surface	
7" 26# J-55	1194.83'
7" 23# J-55	3754.19'
7" 26# J-55	2603.89'
7" 26# N-80	649.45'
Bottom	8,200'

After

TOPS

SA	538'
Glorieta	1,940'
Abo	4,175'
WC	5,446'
Canyon	7,605'



Not to Scale
4/01/14
JMH

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
NM OIL CONSERVATION
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
JAN 30 2015
1220 South St. Francis Dr.
Santa Fe, NM 87505 **RECEIVED**

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

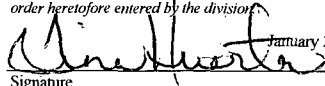
¹ API Number 30-015-26978		² Pool Code 50270	³ Pool Name Penasco Draw; SA-Yeso
⁴ Property Code 12836	⁵ Property Name Thomas AJJ Com		⁶ Well Number 5
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation		⁹ Elevation 3553'GL

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
G	8	19S	25E		1980	North	1980	East	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.

<div style="position: relative; height: 400px;"> <div style="position: absolute; top: 50%; left: 50%; transform: translate(-50%, -50%);"> 1980'E </div> </div>	¹⁷ OPERATOR CERTIFICATION 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. <div style="display: flex; justify-content: space-between;"> <div>  Signature </div> <div> January 28, 2015 Date </div> </div> <div style="display: flex; justify-content: space-between;"> <div>Tina Huerta Printed Name</div> <div>tinah@yatespetroleum.com E-mail Address</div> </div>	
	¹⁸ SURVEYOR CERTIFICATION 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.	
	Date of Survey Signature and Seal of Professional Surveyor:	
	Certificate Number	