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
Amended

Form C-101
Revised December 16, 2011

RECEIVED
MAY 14 2013
NMOCD ARTESIA

Permit

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address	2 OGRID Number
Yates Petroleum Corporation 105 South Fourth Street Artesia, NM 88210	025575
	3 API Number 30-015-26662

4 Property Code	5 Property Name	6 Well No.
39900	Dagger Draw	10

7 Surface Location

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

8 Pool Information

N. Seven Rivers; Glorieta-Yeso	97565

Additional Well Information

9 Work Type	10 Well Type	11 Cable/Rotary	12 Lease Type	13 Ground Level Elevation
P	O	N/A	Fee	3568' GL
14 Multiple	**15 Proposed Depth**	**16 Formation**	**17 Contractor**	**18 Spud Date**
N	N/A	Cisco	N/A	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 recomplete this well as follows: NU BOP. Rig up all safety equipment as needed. Run a GR/JB to 7505'. Set a CIBP at 7495' with 35' cement on top. Load hole with salt gel and spot a 25 sx Class "C" cement plug from 5259'-5409' across Wolfcamp top. WOC. Pressure test casing to 3500 psi. Perforate Yeso 2448'-2530' (42). Fracture treatment at 75 BPM down 7" casing limiting surface treating pressure to 3500 psi (frac details attached). Flow well back and allow well to clean up. TIH with a bit to wash sand down to PBTD. 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: May 14, 2013 Phone: 575-748-4168

OIL CONSERVATION DIVISION

Approved By: LR Dade

Title: Dist II Supervisor

Approved Date: 5/14/2013 Expiration Date: 5/14/2015

Conditions of Approval Attached: Subsequent to w/o provide amended C102 with well name change

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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

RECEIVED
MAR 08 2013
NMOCD ARTESIA

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	[2] Pool Code	[3] Pool Name
30-015-26662	97565	N. Seven Rivers; Glorieta-Yeso

[4] Property Code	[5] Property Name	[6] Well Number
34689	NDDUP Unit	81

[7] OGRID No.	[8] Operator Name	[9] Elevation
025575	Yates Petroleum Corporation	3568'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
M	19	19S	25E		660	South	660	West	Eddy

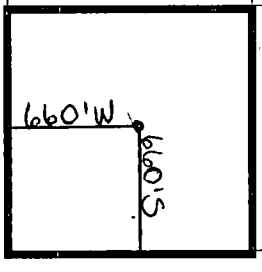
[11] Bottom Hole Location If Different From Surface

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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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 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.

Signature — March 7, 2013 — Date

Tina Huerta
Printed Name

tinah@yatespetroleum.com
E-mail Address

[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

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State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
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Form C-101
Revised December 16, 2011

Permit

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NMOCD ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

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	[3] API Number 30-015-26662

[4] Property Code	[5] Property Name	[6] Well No.
34689	NDDUP Unit	81

[7] Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
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[8] Pool Information

N. Seven Rivers; Glorieta-Yeso	97565

Additional Well Information

[9] Work Type	[10] Well Type	[11] Cable/Rotary	[12] Lease Type	[13] Ground Level Elevation
P	O	N/A	Fee	3568'GL
[14] Multiple	[15] Proposed Depth	[16] Formation	[17] Contractor	[18] Spud Date
N	N/A	Cisco	N/A	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

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Manual BOP	3000 psi	3000 psi	Whichever company is available

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Signature: Tina Huerta

Printed name: Tina Huerta

Title: Regulatory Reporting Supervisor

E-mail Address: tinah@yatespetroleum.com

Date: March 7, 2013 Phone: 575-748-4168

OIL CONSERVATION DIVISION

Approved By: T. C. Shepard

Title: Geologist

Approved Date: 3/21/2013 Expiration Date: 3/21/2015

Conditions of Approval Attached

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	15% HCL	Acid	2,000	30		0.0	0	0
3	Slick Water	Prepad	2,000	75		0.0	0	0
4	Slick Water	Pad	56,000	75		0.0	0	0
5	Slick Water	Slurry	4,500	75	100 Mesh	0.2	900	900
6	Slick Water	Sweep	4,500	75		0.0	0	900
7	Slick Water	Slurry	4,500	75	100 Mesh	0.3	1,350	2,250
8	Slick Water	Sweep	4,500	75		0.0	0	2,250
9	Slick Water	Slurry	4,500	75	100 Mesh	0.4	1,800	4,050
10	Slick Water	Sweep	4,500	75		0.0	0	4,050
11	Slick Water	Slurry	4,500	75	100 Mesh	0.5	2,250	6,300
12	Slick Water	Sweep	4,500	75		0.0	0	6,300
13	Slick Water	Slurry	4,500	75	100 Mesh	0.6	2,700	9,000
14	Slick Water	Sweep	4,500	75		0.0	0	9,000
15	Slick Water	Slurry	4,500	75	100 Mesh	0.7	3,150	12,150
16	Slick Water	Sweep	4,500	75		0.0	0	12,150
17	Slick Water	Slurry	4,500	75	100 Mesh	0.8	3,600	15,750
18	Slick Water	Sweep	4,500	75		0.0	0	15,750
19	Slick Water	Slurry	4,500	75	100 Mesh	0.9	4,050	19,800
20	Slick Water	Sweep	4,500	75		0.0	0	19,800
21	Slick Water	Slurry	4,500	75	100 Mesh	1.0	4,500	24,300
22	Slick Water	Pad	10,700	75		0.0	0	24,300
23	Slick Water	Slurry	20,000	75	40/70 Brady	0.2	4,000	28,300
24	Slick Water	Sweep	6,000	75		0.0	0	28,300
25	Slick Water	Slurry	20,000	75	40/70 Brady	0.3	6,000	34,300
26	Slick Water	Sweep	6,000	75		0.0	0	34,300
27	Slick Water	Slurry	20,000	75	40/70 Brady	0.4	8,000	42,300
28	Slick Water	Sweep	6,000	75		0.0	0	42,300
29	Slick Water	Slurry	20,000	75	40/70 Brady	0.5	10,000	52,300
30	Slick Water	Sweep	6,000	75		0.0	0	52,300
31	Slick Water	Slurry	20,000	75	40/70 Brady	0.6	12,000	64,300
32	Slick Water	Sweep	6,000	75		0.0	0	64,300
33	Slick Water	Slurry	20,000	75	40/70 Brady	0.7	14,000	78,300
34	Slick Water	Sweep	6,000	75		0.0	0	78,300
35	Slick Water	Slurry	20,000	75	40/70 Brady	0.8	16,000	94,300
36	Slick Water	Sweep	6,000	75		0.0	0	94,300

37	Slick Water	Slurry	23,000	75	40/70 Brady	0.9	20,700	115,000
38	Slick Water	Sweep	6,000	75		0.0	0	115,000
39	Slick Water	Slurry	24,000	75	40/70 Brady	1.0	24,000	139,000
40	Slick Water	Pad	17,000	75		0.0	0	139,000
41	Slick Water	Slurry	17,000	75	16/30 Brady	1.0	17,000	156,000
42	Slick Water	Slurry	24,000	75	16/30 Brady	2.0	48,000	204,000
43	Slick Water	Slurry	32,000	75	16/30 Brady	3.0	96,000	300,000
44	Slick Water	Flush	2,388	75		0.0	0	300,000
45	15% HCL	Acid	1,000	75		0.0	0	300,000
46	Slick Water	Flush	3,900	75		0.0	0	300,000
	Totals		479,588				300,000	

Estimated Surface Treating Pressure = 2,183 psig.
Maximum Surface Treating Pressure = 3,500 psig.

Fluid Specifications:

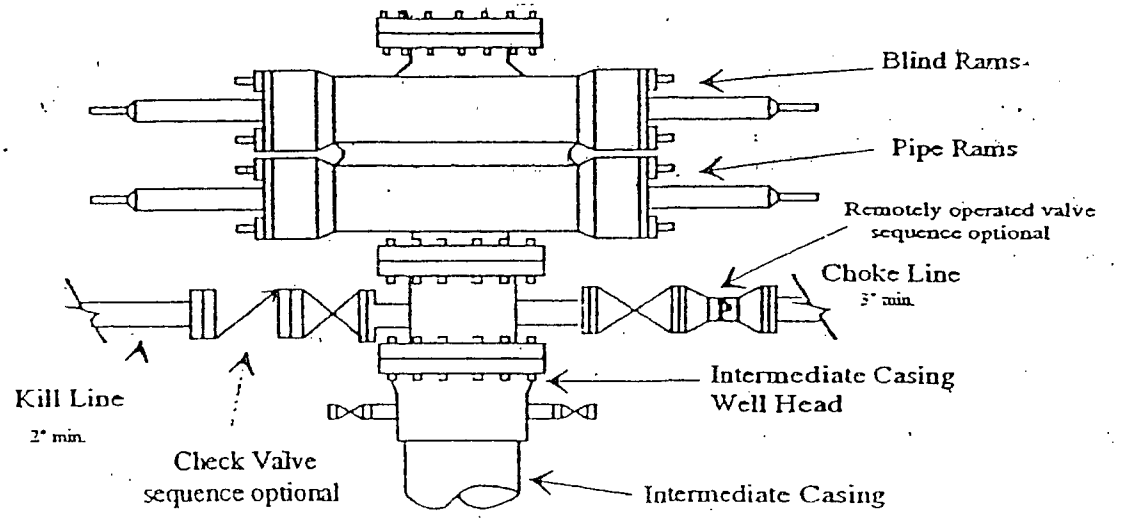
Slick Water - fresh water with 1.0 gal/M liquid friction reducer, 1 gal/M gas Surfactant, liquid biocide agent and an oxidizing breaker.

YPC will provide:
25 clean frac tanks with 480 barrels of Fresh water in each tank for treatment and flush.

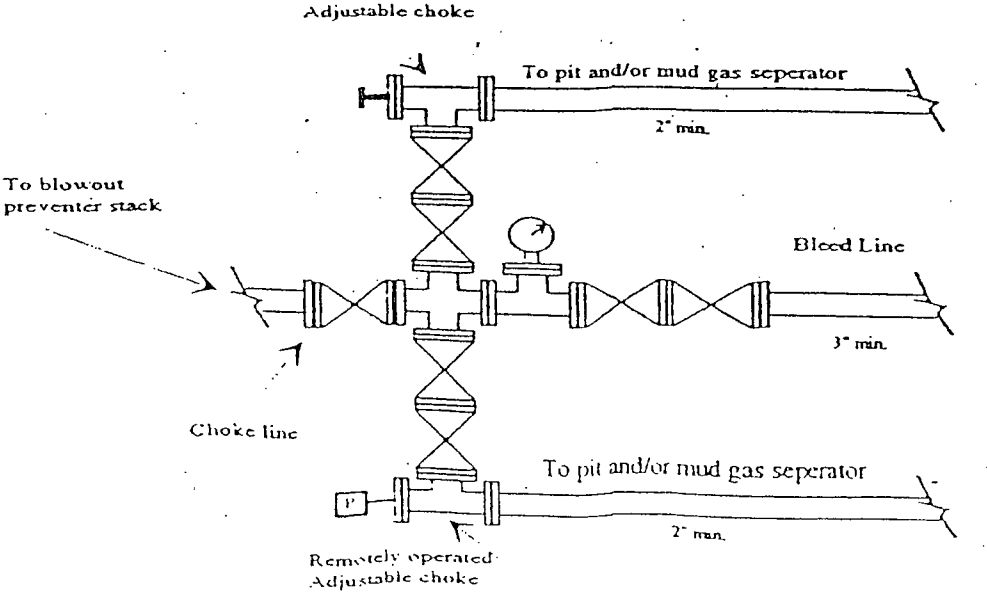
Service Company to provide: computer van with **job reports**, weight tickets, on location and QC lab van

Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimun features



WELL NAME: NDDUP Unit #81 **FIELD:** Dagger Draw

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

GL: 3,568' **ZERO:** **KB:**

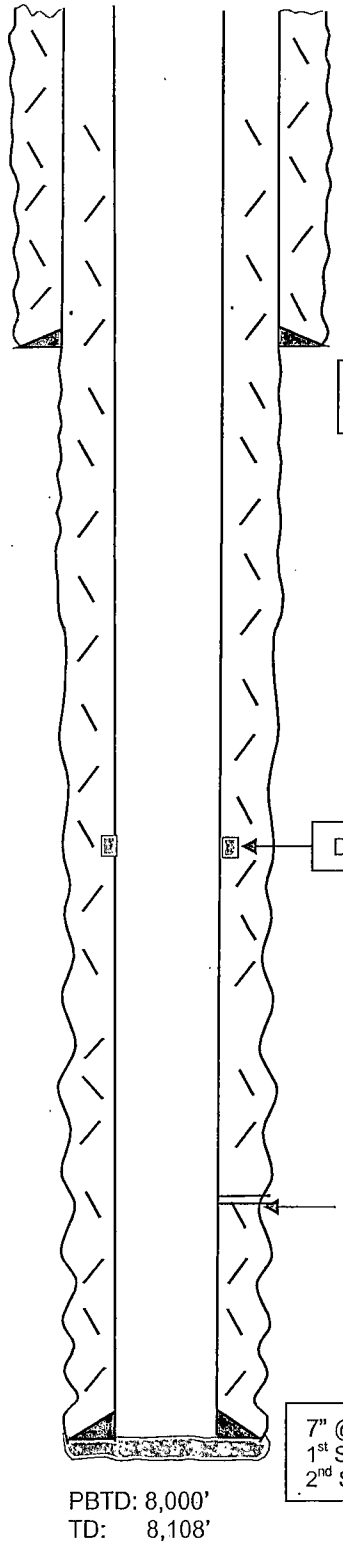
SPUD DATE: 3/19/91 **COMPLETION DATE:** 5/10/91

COMMENTS: API No.: 30-015-26662
(Formerly Dagger Draw #10)

CASING PROGRAM

9-5/8" 36# J-55	1,231'
7" 26# K-55	8,096

Before



TOPS

Glorieta	2,014'
Yeso	2,252'
WC	5,359'
Cisco	7,540'

Not to Scale
11/4/10
Hill

WELL NAME: NDDUP Unit #81 **FIELD:** Dagger Draw

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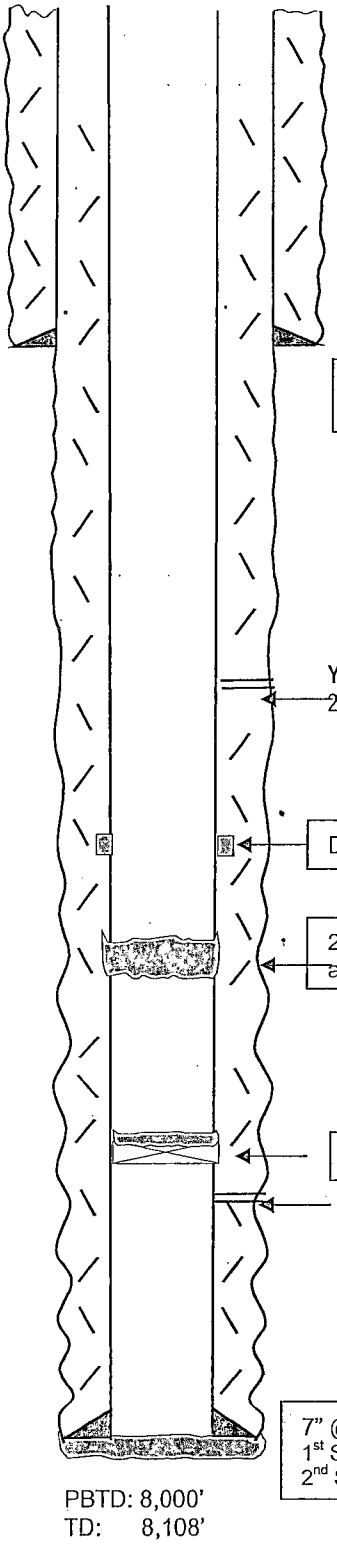

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