

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

Form C-101
 Revised July 18, 2013

RECEIVED
 OCT 25 2013
NMOC D ARTESIA

Energy Minerals and Natural Resources
 Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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 30-015-26919
⁴ Property Code 12789	⁵ Property Name State CO Com	⁶ Well No. 7

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B	36	19S	24E		660	North	1780	East	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 Canyon; Wolfcamp	Pool Code 8450
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Additional Well Information

¹¹ Work Type P	¹² Well Type O	¹³ Cable/Rotary NA	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3,598' GR
¹⁶ Multiple NA	¹⁷ Proposed Depth NA	¹⁸ Formation Wolfcamp	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

<p>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 <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable. Signature: <i>Laura Watts</i> Printed name: Laura Watts Title: Regulatory Reporting Technician E-mail Address: laura@yatespetroleum.com Date: October 24, 2013 Phone: 575-748-4272</p>	<p>OIL CONSERVATION DIVISION</p> <p>Approved By: <i>T. C. Shepard</i> "Geologist" Title: Approved Date: <i>10/25/2013</i> Expiration Date: <i>10/25/2015</i> Conditions of Approval Attached</p>
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Proposal to Plugback and Recomplete:

Yates Petroleum Corporation plans to Plugback and Recomplete this well as follows:

1. MIRU WSU and all safety equipment necessary. NU BOP.
2. POOH with existing production equipment.
3. Run a gauge ring and junk basket to 7,615', set a CIBP at 7,608' and cap it with 25 sx of class "H" cement from 7,478' to 7,608'. This will place a plug over the open Canyon perforations.
4. Perforate Wolfcamp 6,282' to 6,338' (28 holes)
5. Acidize with 3000 gallons 7.5% IC HCL with a nonionic surfactant. Drop 42 7/8 inch 1.3 SG RCN ball sealers spaced evenly throughout acid. Flush to the bottom perf with 2% KCL water.
6. Flow the well back until it dies, swab test and evaluate, if testing warrants pump the following job via the 2.875" tubing (Treating Schedule attached).
7. Shut well in for 8 hours and flow back on choke until well dies. Swab well to ensure that the frac sand has been cleaned up.
8. Perforate Wolfcamp 5,752' to 5,800' (36 holes).
9. TIH with RBP, isolate 5,752' to 5,800'. and acidize with 20,000 gallons 20% gelled IC HCL. Drop 50 7/8 inch 1.3 SG RCN ball sealers spaced evenly throughout acid. Over flush the perforations with 500 bbls of water.
10. Flow the well back until it dies and POOH with all the tools. TIH with the pumping equipment specified by the production department. Hang the well on pump and RD MO and turn the well over to the production department.


Regulatory Reporting Technician
October 24, 2013

RECEIVED
 OCT 25 2013
 NMOCD ARTESIA

WELL NAME: State CO Com # 7 FIELD: Dagger Draw North

LOCATION: 660' FNL & 1,780' FEL of Section 36-19S-24E Eddy Co., NM

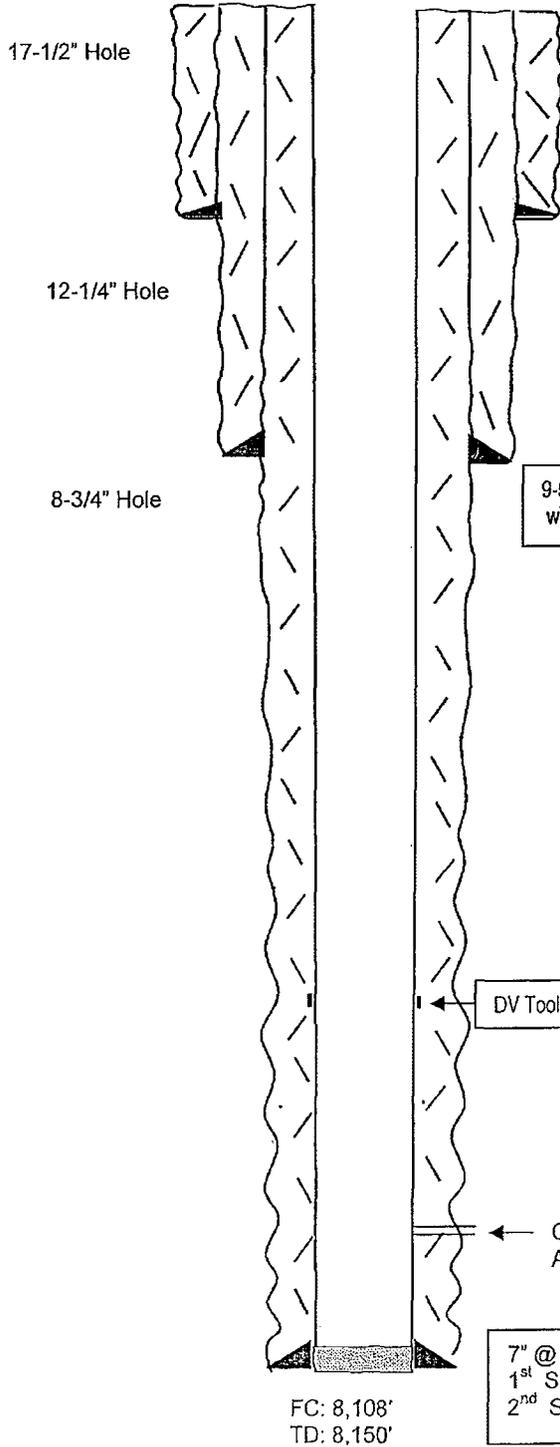
GL: 3,598' ZERO: 18.4' KB: 3,616.4'

SPUD DATE: 05/05/92 COMPLETION DATE: 05/31/92

COMMENTS: API No.: 30-015-26919

CASING PROGRAM

13-3/8" 54.5# J-55 ST&C		170'
9-5/8" 36# J-55 LT&C		1,167'
Surface		
7" 26# L-80 LT&C	600'	
7" 26# J-55 LT&C	2,679'	
7" 23# J-55 LT&C	3,752'	
7" 26# J-55 LT&C	1,119'	8,150'
Bottom hole		



13-3/8" @ 170'
 w/ 925 sx (Circ)

Before

9-5/8" @ 1,167'
 w/ 900 sx (Circ)

TOPS

San Andres	512'
Glorieta	2,064'
BS	3,257'
WC	5,377'
Cisco	7,563'

DV Tool @ 5,751'

Canyon Perfs: 7,658' - 7,826' (57)
 Acidized with 27,500 gal 20% HCL

7" @ 8,150'
 1st Stage w/ 825 sx (Circ)
 2nd Stage w/ 925 sx (Circ)

FC: 8,108'
 TD: 8,150'

Not to Scale
 07/19/13
 JMH

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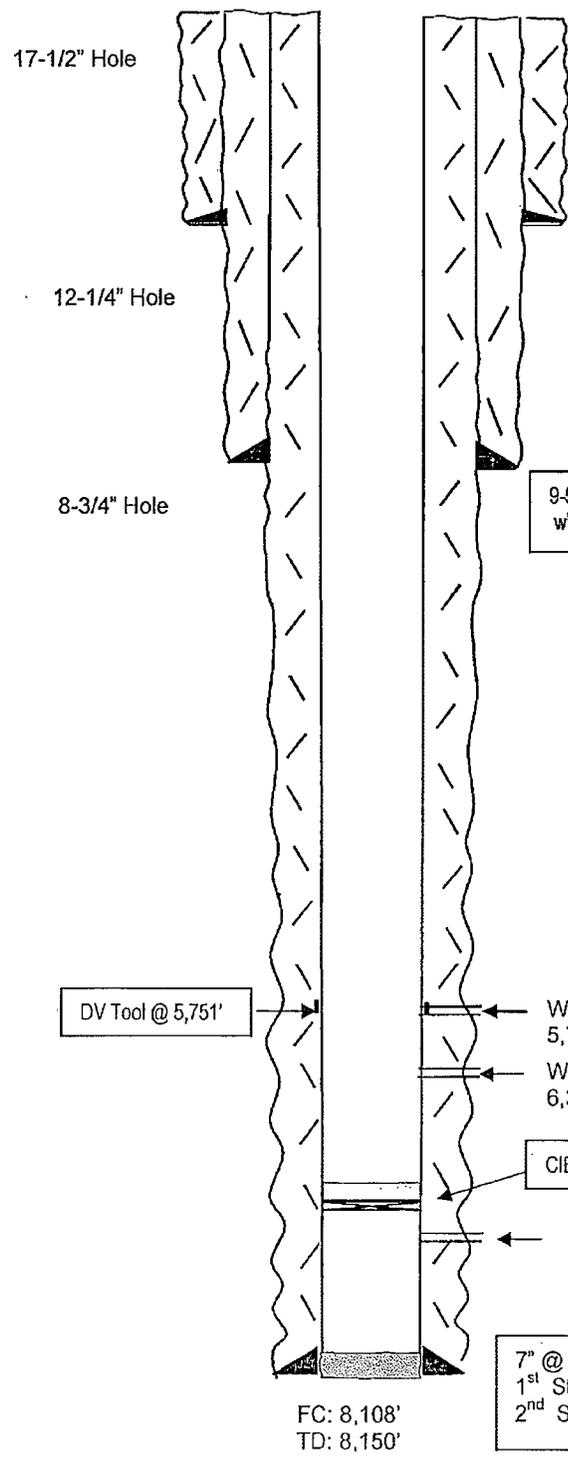
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WC	5,377'
Cisco	7,563'

DV Tool @ 5,751'

Wolfcamp Perfs: 5,752' - 5,770' (19),
5,784' - 5,800' (17)
Wolfcamp Perfs: 6,282' - 6,296' (15),
6,326' - 6,338' (13)

CIBP @ 7,608' w/ 25 sx, cmt plug from 7,478' to 7,608'

Canyon Perfs: 7,658' - 7,826' (57)
Acidized with 27,500 gal 20% HCL

7" @ 8,150'
1st Stage w/ 825 sx (Circ)
2nd Stage w/ 925 sx (Circ)

FC: 8,108'
TD: 8,150'

Not to Scale
07/19/13
JMH

Treating Schedule

Stage Number	gal	Prop Conc lb/gal	lbs Proppant		Proppant Type
			Stage	Cumulative	
1	15400.	0.00	0.	0.	----
2	4500.	1.00	4500.	4500.	20/40 Super LC
3	7200.	2.00	14400.	18900.	20/40 Super LC
4	3700.	3.00	11100.	30000.	20/40 Super LC
5	3024.	0.00	0.	0.	----

Estimated Surface Treating Pressure @ 20 BPM = 5200 psig.