

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

Energy Minerals and Natural Resources
NM OIL CONSERVATION

Oil Conservation Division ARTESIA DISTRICT ☐ AMENDED REPORT

1220 South St. Francis Dr.

NOV 26 2014

Santa Fe, NM 87505

RECEIVED

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 30-015-32889
⁴ Property Code 37343	⁵ Property Name Humidor BMJ State Com	⁶ Well No. 1

7. Surface Location

UL - Lot A	Section 23	Township 24S	Range 27E	Lot Idn	Feet from 990	N/S Line North	Feet From 990	E/W Line East	County Eddy
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8. Proposed Bottom Hole Location

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

Pool Name Wildcat; Wolfcamp	Pool Code
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Additional Well Information

¹¹ Work Type Recomplete	¹² Well Type G	¹³ Cable/Rotary NA	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3,185' GR
¹⁶ Multiple N	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

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> Printed name: Laura Watts Title: Regulatory Reporting Technician E-mail Address: laura@yatespetroleum.com Date: November 25, 2014		OIL CONSERVATION DIVISION Approved By: <i>T. G. Shepherd</i> Title: <i>Geologist</i> Approved Date: <i>12-1-2014</i> Expiration Date: <i>12-1-16</i> Conditions of Approval Attached	
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Proposal to Recomplete:

Yates Petroleum Corporation plans to squeeze existing Morrow and recomplete Wolfcamp as follows:

1. MIRU WSU and all safety equipment necessary. NU BOP. Release the packer at 11,876' and POOH. If not successful cut tubing as low as possible and POOH. Set a 7" packer above the tubing stub and establish an injection rate. POOH with packer and TIH with a 7" retainer and set it just above the tubing stub. Squeeze the morrow perfs with 150 sacks of Class "H" cement. If a positive displacement ~~pressure cannot~~ be obtained over displace and re-squeeze. Test casing to 3000 psi.
2. TIH with a polishing mill and polish the PBR at 9,987'. POOH with mill and run 10,000' of 5-1/2" 17# P-110 casing with a ceramic float disc and seal assembly to sting into the PBR.
3. Just before landing seal assembly in the PBR, pressure up on the 5-1/2" casing and rupture the float disc, then sting into the PBR and set +/- 60K pounds of weight on it. ND BOP. Pressure test the liner to 8500 psi.
4. Perforate Wolfcamp 10,860' - 11,171' (92 holes).
5. Spot 2500 gallons of double inhibited 15% HCL across the perfs.
6. Pump a fracture treatment (treating schedule attached).
7. Shut the well in for 6 hours to allow the gel to break. Flow the well back until it dies.
8. Make sure no perfs are covered.
9. TIH with production equipment specified by the production department.
10. Turn the well over to production.

Wellbore Schematics attached



Regulatory Reporting Technician
November 25, 2014

Treating Schedule

Stage Number	Stage Description	Fluid System	Rate BPM	Clean Volume gal	Slurry Volume gal	Prop Conc lb/gal	Prop Volume Stage	Prop Volume Cum	Prop Type	Stage Time
1.00	Breakdown	Slickwater	25	5,000	5,000		0	0		4.8
2.00	Acid	15% HCl	10	5,000	5,000		0	0		11.9
3.00	SLF	Slickwater	75	14,000	14,000		0	0		4.4
4.00	SLF	Slickwater	75	6,000	6,068	0.25	1,500	1,500	100 Mesh	1.9
5.00	SLF	Slickwater	75	10,000	10,228	0.50	5,000	6,500	100 Mesh	3.2
6.00	SLF	Slickwater	75	12,000	12,410	0.75	9,000	15,500	100 Mesh	3.9
7.00	SLF	Slickwater	75	12,000	12,547	1.00	12,000	27,500	100 Mesh	4.0
8.00	SLF	Slickwater	75	12,000	12,684	1.25	15,000	42,500	100 Mesh	4.0
9.00	SLF	Slickwater	75	12,000	12,821	1.50	18,000	60,500	100 Mesh	4.1
10.00	Sweep	10# Linear Gel	75	10,000	10,000	0.00	0	60,500		3.2
11.00	SLF	10# Linear Gel	75	10,000	10,114	0.25	2,500	63,000	40/70 Ottawa	3.2
12.00	SLF	10# Linear Gel	75	30,000	30,684	0.50	15,000	78,000	40/70 Ottawa	9.7
13.00	SLF	10# Linear Gel	75	40,000	41,368	0.75	30,000	108,000	40/70 Ottawa	13.1
14.00	SLF	15# Linear Gel	75	40,000	41,824	1.00	40,000	148,000	40/70 Ottawa	13.3
15.00	SLF	15# Linear Gel	75	40,000	42,280	1.25	50,000	198,000	40/70 Ottawa	13.4
16.00	SLF	15# Linear Gel	75	33,000	35,257	1.50	49,500	247,500	40/70 Ottawa	11.2
17.00	SLF	15# Linear Gel	75	30,000	32,394	1.75	52,500	300,000	40/70 Ottawa	10.3
18.00	Flush	Slickwater	75	11,400	11,400		0	300,000		3.6

Estimated Surface Treating Pressure = 6,673 psig.

Maximum Surface Treating Pressure = 8,500 psig.

NOV 26 2014

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WELL NAME: Humidor State Unit No. 1

FIELD: Wildcat Morrow

LOCATION: 990' FNL & 990' FEL

Sec 23-24S-27E

Eddy County New Mexico

GL: 3,182' ZERO: KB: 3,214'

SPUD DATE: 08/12/03 COMPLETION DATE: 11/11/03

COMMENTS: 30-015-32889

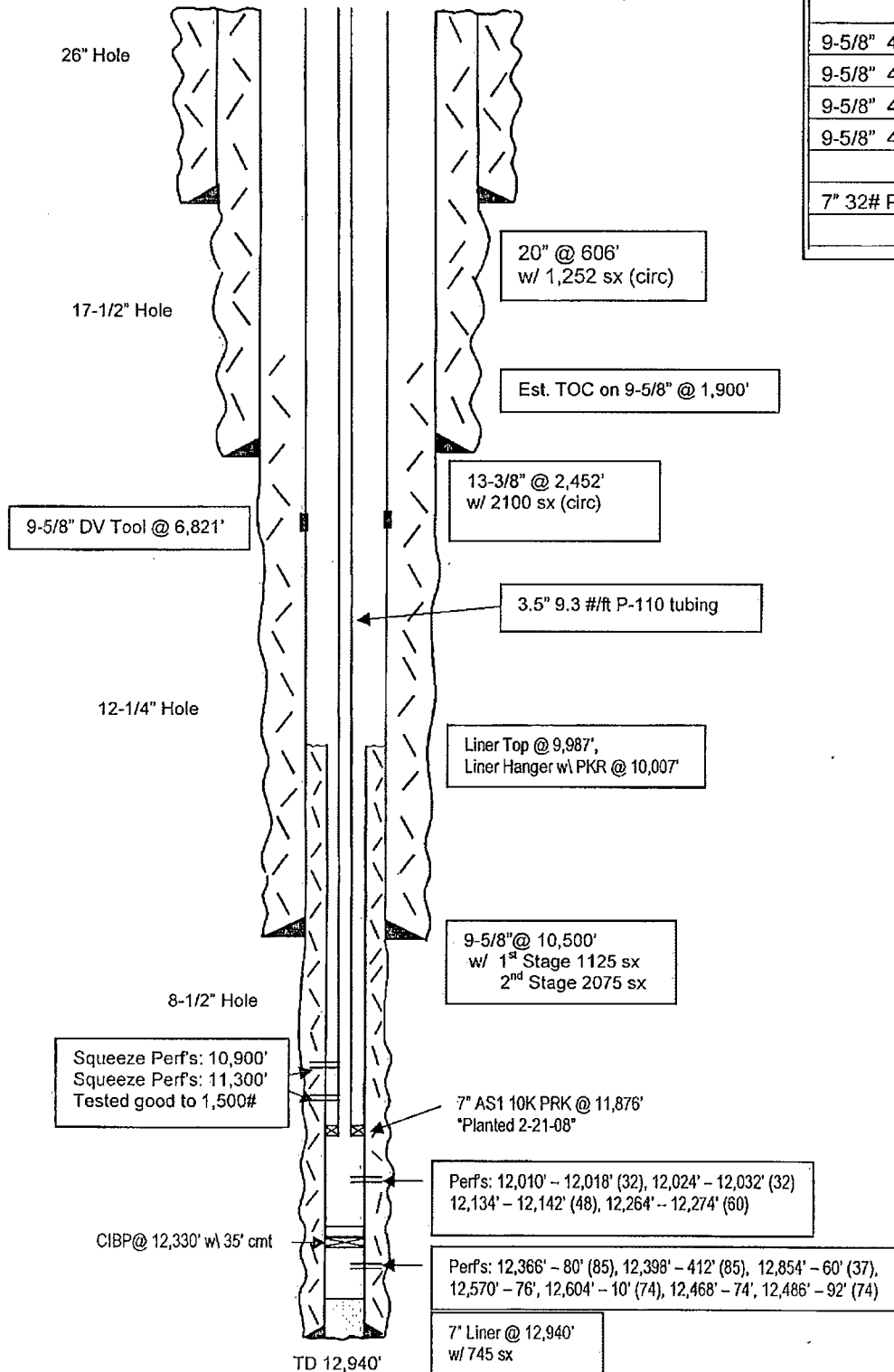
CASING PROGRAM

20" 94# J55 ST&C	606'
13-3/8" 54.5 - 61 J55# ST&C	2452'
9-5/8" 47# P110 216'	
9-5/8" 43.5# N80 5,438'	
9-5/8" 43.5# S95 3,253'	
9-5/8" 47# P110 1,622'	10,500'
7" 32# P110 Liner Top = 9,987'	12,940'

Before

Tops:

Wolfcamp 9,140'
Strawn 11,314'
Morrow 12,000'



Not to Scale

9-30-14
JMH

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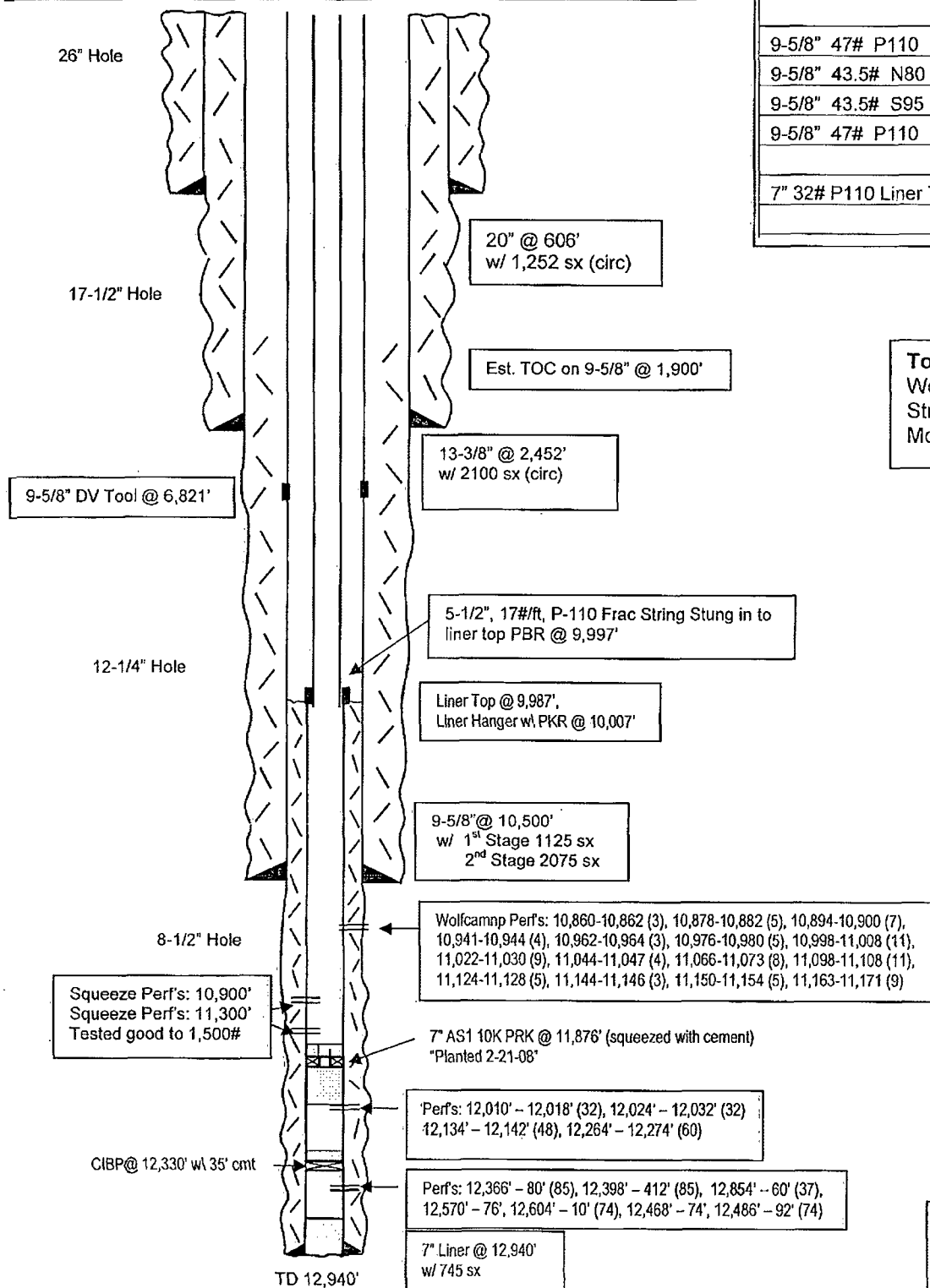
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Wolfcamp	9,140'
Strawn	11,314'
Morrow	12,000'

**Not to Scale**11-18-14
JMH