

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources
HOBBS OCD
JUN 18 2014
RECEIVED
 OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-41592
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VB-2097
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Fruit State SWD
4. Well Location Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Section <u>19</u> Township <u>21S</u> Range <u>34E</u> NMPM <u>Lea</u> County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,707' GR		9. OGRID Number 025575
		10. Pool name or Wildcat SWD; Cherry Canyon

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NC E-PERMITTING - CSNG _____ PERFORM REMEDIATION P&A _____ TA _____ TEMPORARILY ALTER COMPLETION NEW WELL _____ PULL OR ALTER LOCATION CHG _____ DOWNHOLE COMPLETION _____ CLOSED-LOOP SYSTEM _____ OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPERATIONS <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Completion operations & MIT <input checked="" type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/30/14 - NU BOP.
 5/1-3/14 - Tagged stage stool at 5,509' and drilled out. Tested casing to 2000 psi for 15 mins, held good.
 5/4/14 - Tagged at 7,258' and circulated hole clean with 300 bbls 2% KCL with CRW-132. Tested casing to 2000 psi for 15 mins, held good with surface valve open.
 5/5/14 - Ran CBL from 7,260' to surface. Pumped 5 bbls of 2% KCL with CRW-132 into formation.
 5/21/14-6/2/14 - Perforated Delaware 5,814'-7,118' (221 holes). Acidized with 20,000 gallons 7.5% HCL acid, frac with a total of 1,172,800# 16/30 Brady sand. 3-1/2" 9.20# J-55 tubing at 5,759'.
 6/3/14 - Tested casing to 1000 psi, good.
 6/6/14 - ND BOP. Tested to 500 psi for 30 mins, good.

**H. F. F DISCLOSURE
 IN FILE.**

CONTINUED ON NEXT PAGE:

Spud Date: 3/26/14 Rig Release Date: 4/25/14

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Laura Watts TITLE: Regulatory Reporting Technician DATE: June 17, 2014
 Type or print name: Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272
For State Use Only

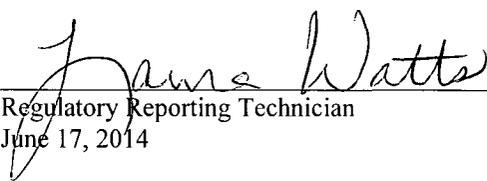
APPROVED BY: [Signature] TITLE: Petroleum Engineer DATE: 06/25/14
 Conditions of Approval (if any): _____

JUN 24 2014

Form C-103 continued:

6/8/14 – Notified Maxey Brown with NMOCD-Hobbs about running MIT test on 6/11/14 at 9:00 am.
6/11/14 – Ttested casing to 485 psi for 30 mins, good. Mark Whitaker with OCD witnessed test.

Swab results and Water analysis attached per COA's
Copy of MIT chart attached



Regulatory Reporting Technician
June 17, 2014

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Water Analysis

2702 N Freeman Artesia, NM 88210
 (575) 736-4411 FAX:(575)736-4958



Date: 5-Jun-14 Tank #: 0.00
 Company: Yates Test #: 0
 Wellsite: Fruit SWD #1 Formation 0.00
 State: NM Source Well

pH	6.35	Temperature(F):	95.00
Specific Gravity	1.07	H ₂ S	None Detected

Cations

	mg/L	me/L	ppm
Sodium	-19157.34	-833.29	-17904.06
Calcium	12832.00	640.32	11992.52
Magnesium	17010.00	1399.42	15897.20
Barium	< 25	----	----
Potassium	< 10	----	----
Iron	934.58	33.47	873.44



Anions

	mg/L	me/L	ppm
Chloride	43000.00	1212.98	40186.92
Sulfate	1121.50	23.35	1048.13
Carbonate	< 1	----	----
Bicarbonate	19.52	0.32	18.24



	mg/L	me/L	ppm
Total Solids Dissolved	55760.25		52112.39
Total Hardness as CaCO ₃	102078.96	2039.74	95400.90

Comments



No Hydrocarbons detected in sample

Scale Analysis



CaCO ₃ Factor	250480.64	Calcium Carbonate Scale Probability	Remote
CaSO ₄ Factor	15398400	Calcium Sulfate Scale Probability	Probable

JUN 18 2014



Water Analysis

2702 N Freeman Artesia, NM 88210
(575) 736-4411 FAX:(575)736-4958

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Date:	5-Jun-14	Tank #:	0.00
Company:	Yates	Test #:	0
Wellsite:	Fruit SWD #1	Formation	0.00
State:	NM	Source	12 pm swab sample

pH	6.47	Temperature(F):	90.30
Specific Gravity	1.13	H ₂ S	None Detected

Cations	mg/L	me/L	ppm
Sodium	-4414.12	-192.00	-3920.18
Calcium	6255.60	312.16	5555.60
Magnesium	24494.40	2015.17	21753.46
Barium	< 25	----	----
Potassium	< 10	----	----
Iron	888.10	31.80	788.72

Anions	mg/L	me/L	ppm
Chloride	76000.00	2143.86	67495.56
Sulfate	1065.72	22.19	946.46
Carbonate	< 1	----	----
Bicarbonate	19.52	0.32	17.34

	mg/L	me/L	ppm
Total Solids Dissolved	104309.22		92636.96
Total Hardness as CaCO ₃	116471.05	2327.33	103437.88

Comments

No Hydrocarbons detected in sample

Scale Analysis

CaCO ₃ Factor	122109.31	Calcium Carbonate Scale Probability	Remote
CaSO ₄ Factor	7506720	Calcium Sulfate Scale Probability	Possible



Swabs and Flows Report

FRUIT STATE SWD #1

Completion

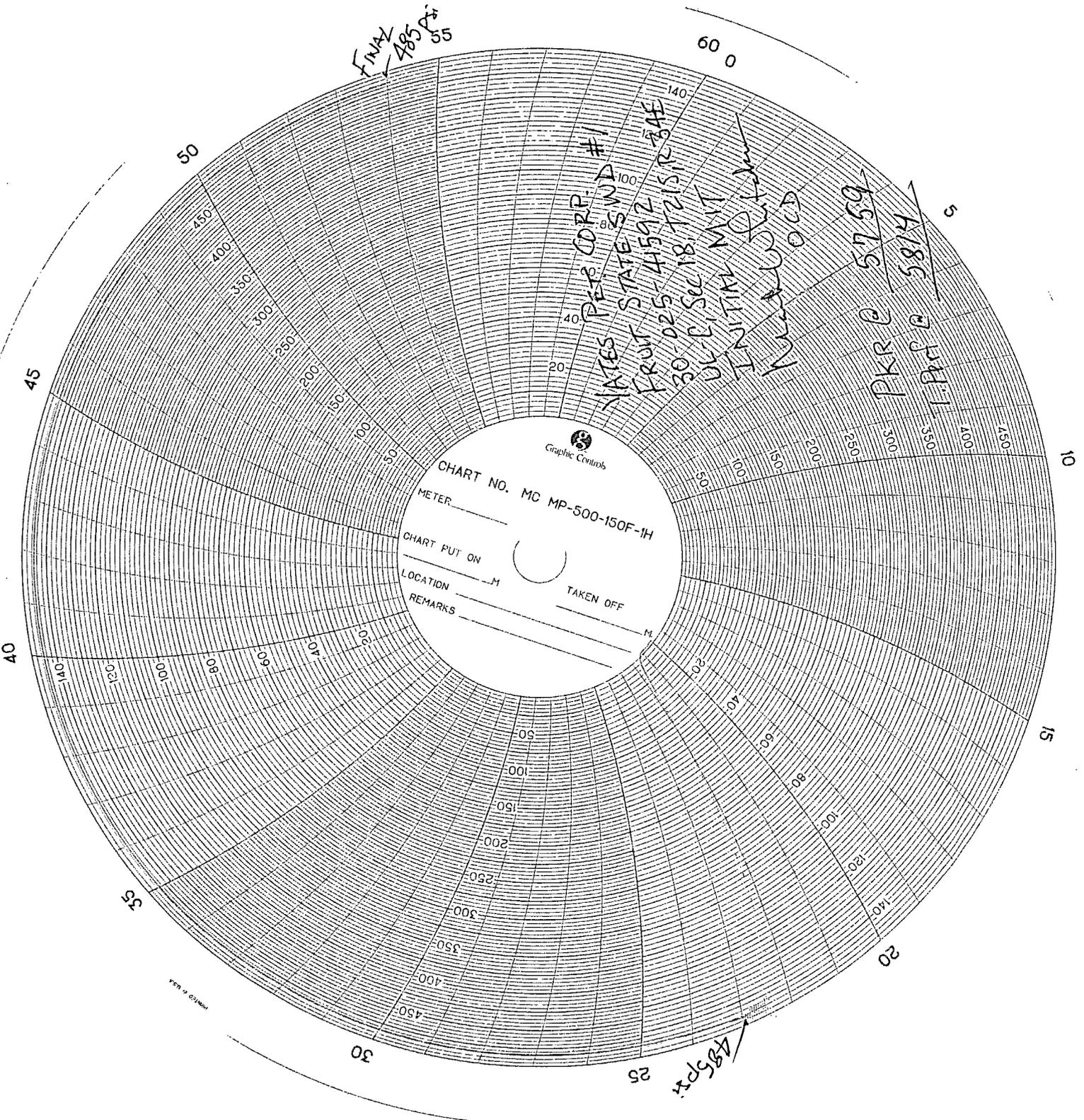
Date	6/4/2014 14:00	Zone	CHERRY CANYON - 5,733.0', LEG 1	Swab Company	RANGER WELL SERVICE	Wellbore	LEG 1	Job	New Drilling, SWD, Drilling, Completions & Production on 2/10/2014 06:00						
Comment								Total Vol (bbl)	54.0	Total Gas Volume (MCF)	0.000	Total Oil Recovered (bbl)	0.0	Total Water Recovered (bbl)	54.0

# Runs	Start Time	Swab/Flow Time (hr)	Init Fl Lvl (ftKB)	Choke Sz (in)	P Tub (psi)	P Cas (psi)	% H2O (%)	Vol Recov (bbl)	Fluid Meas?	Ld Left to Rec (bbl)	Q Gas (MCF/day)	Gas Rate Meas?	Oil (bbl)	Water Amt (bbl)	Com
3	15:00	1.00	1,200.0				100.0	18		-18.0			0.0	18.0	
3	16:00	1.00	1,200.0				100.0	18		-36.0			0.0	18.0	
3	17:00	1.00	1,200.0				100.0	18		-54.0			0.0	18.0	

Date	6/5/2014 07:00	Zone	CHERRY CANYON - 5,733.0', LEG 1	Swab Company	RANGER WELL SERVICE	Wellbore	LEG 1	Job	New Drilling, SWD, Drilling, Completions & Production on 2/10/2014 06:00						
Comment								Total Vol (bbl)	126.0	Total Gas Volume (MCF)	0.000	Total Oil Recovered (bbl)	0.0	Total Water Recovered (bbl)	126.0

# Runs	Start Time	Swab/Flow Time (hr)	Init Fl Lvl (ftKB)	Choke Sz (in)	P Tub (psi)	P Cas (psi)	% H2O (%)	Vol Recov (bbl)	Fluid Meas?	Ld Left to Rec (bbl)	Q Gas (MCF/day)	Gas Rate Meas?	Oil (bbl)	Water Amt (bbl)	Com
3	08:00	1.00	700.0			0	100.0	18		-18.0			0.0	18.0	
3	09:00	1.00	700.0				100.0	18		-36.0			0.0	18.0	
3	10:00	1.00	700.0				100.0	18		-54.0			0.0	18.0	
3	11:00	1.00	700.0				100.0	18		-72.0			0.0	18.0	
3	12:00	1.00	700.0				100.0	18		-90.0			0.0	18.0	
3	13:00	1.00	700.0				100.0	18		-108.0			0.0	18.0	
3	14:00	1.00	700.0				100.0	18		-126.0			0.0	18.0	

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95

60 0

NATES PEST CORP. #1
FRUIT STATE SIND
FRUIT STATE 4592
30-025-4592-BAE
30-025-18-TRIS-R-BAE
UL Sec 18
INVTM MIT
Kendall
Wood

PKR @ 5759
I. PKR @ 5814

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MAKES & DATA