

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5 Lease Serial No  
NMNM101582

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.

MUCHO LUCK BBW FEDERAL COM 2H

2. Name of Operator

Contact: TINA HUERTA

YATES PETROLEUM CORPORATION-Mail tinah@yatespetroleum.com

9 API Well No

30-015-39348-00-S1

3a. Address

105 SOUTH FOURTH STREET  
ARTESIA, NM 88210

3b Phone No (include area code)

Ph: 575-748-4168

Fx: 575-748-4585

10. Field and Pool, or Exploratory  
EMPIRE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 27 T16S R27E SESE 1100FSL 330FEL

11 County or Parish, and State

EDDY COUNTY, NM

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

12/13/11 - NU BOP.

12/14/11 - Tagged DV tool at 2492', drilled. Tested to 1000 psi, held good. Tagged DV tool at 5510', drilled. Tested to 1000 psi, held good.

12/18/11 - TIH to a depth of 6100'. Worked scraper across DV tools and debris sub. Circulated hole clean

12/19/11 - Ran CBL/GR/CC log from 6100' to surface. ND BOP. Pressured up to 2250 psi to open hydraport at 10,377'. Displaced 5-1/2" casing with 245 bbls 3% KCL with Petrolite CRW-132 chemical.

1/8/12 - Port 10,377' - pumped with 154 bbls 20% HCL acid, 139,014# 30/50 Jordan-Unimin sand. Dropped 1.875" ball. Port 10,206' - pumped 154 bbls 20% HCL acid, 133,265# 30/50 Jordan-Unimin sand. Dropped 2" ball. Dropped 2nd ball 2" ball. Port 10,051' - pumped 154 bbls 20% HCL acid, 119,944# 30/50 Jordan-Unimin sand. Dropped 2.125" ball. Port 9810' - pumped 154 bbls 20% HCL

**RECEIVED**

JUN 26 2012

**NMOCD ARTESIA**Accepted for record  
7/5/12

14. I hereby certify that the foregoing is true and correct

Electronic Submission #140678 verified by the BLM Well Information System

For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 06/20/2012 (12KMS2429SE)

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature

(Electronic Submission)

Date 06/15/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

**ACCEPTED**JAMES A AMOS  
Title SUPERVISOR EPS

Date 06/23/2012

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office Carlsbad

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

## Additional data for EC transaction #140678 that would not fit on the form

### 32. Additional remarks, continued

acid, 129,914# 30/50 Jordan-Unimin sand. Dropped 2.25" ball, did not see port open at 9567'. Pumped 154 bbls 20% HCL acid, 135,681# 30/50 Jordan-Unimin sand. Dropped 2.375" ball. Pumped 40 bbls over capacity, did not see frac port 9369' open. Dropped 2nd 2.375" ball. Pumped 40 bbls over capacity, did not see any change. Dropped 2.5" ball for port 9127'. Pumped 2 casing volumes 424 bbls, did not see frac port open.

1/10/12 - RIH with 4 61" GR/JB to 6133'. Top port at 6174'. Pumped 30 bbls. Moved GR/JB to 5485'. Pumped 40 bbls.

1/15/12 - Pumped 80 bbls 3% KCL down 5-1/2" casing. NU BOP. Set an RBP at 6114' and packer at 6083'. Tested casing - would not hold. Isolate hole in casing from 5888'-5955'. Straddled external packer at 5916'. Everything else is good to 2000 psi. Set packer at 5888'.

1/16/12 - Set packer at 5438' to get above KOP. Pumped 100 bbls fresh water.

1/17/12 - Released packer.

1/18/12 - Set cement retainer at 5852'. Pumped 20 bbls thru retainer. Tested casing to 1500 psi, good.

1/19/12 - Pumped 300 sx Class "C" cement slurry. Squeezed well to 1200 psi with 288 sx slurry. Sting out of retainer. Reverse circulated approx 1 bbl cement.

1/22/12 - Drilled out retainer and circulated clean.

1/23/12 - Fell out of cement at 5940' and circulated clean. Tested casing to 1000 psi for 30 min, good.

1/24/12 - RIH with CCL/GR/CBL from 6100' to 5400' with 1000 psi. Cleaned up to 6018'.

1/25/12 - Circulated well with 130 bbls brine water. Released RBP and POOH. Loaded casing with 16 bbls brine water. RIH with 40' Homeco internal patch to 5950'. Pressured tool to 5000'.

1/27/12 - Tagged top of patch at 5901'. Milled patch to 5920' and circulated clean.

1/28/12 - Milled out patch to 5930' and circulated clean.

1/30/12 - Washed and circulated over fish to 5931' and circulated clean.

2/2/12-2/8/12 - Tried to get fish out of hole. Latched onto fish at 5931', jar for 3-1/2 hrs.

2/9/12 - Jar on fish RD jars.

2/14/12 - ND BOP.

3/22/12-4/17/12 - Tagged at 5930' and circulated hole clean. Continued milling to get fish out of hole. Ran swedge past liner top to a depth of 5970'. Did not tag. TIH to 6150'. Circulated hole with 2% KCL with CRW-132 chemical. Tagged at 6187'. Logged from 6035'-5500'. Logged across anchor packer and liner.

CONTINUED ON NEXT PAGE:

Yates Petroleum Corporation  
Mucho Luck BBW Federal Com #2H  
Section 27-T16S-R27E  
Eddy County, New Mexico  
Page 2

**Form 3160-5 continued:**

4/19/12 – ND BOP.

4/23/12-4/25/12 - RU coiled tubing unit to drill out seats. Worked down to 6772'. Tagged at 6767'. RD coil tubing.

4/29/12 – NU BOP. Set packer at 5873'. Tested annulus to 3000 psi, held good.

4/30/12 – TOOH with packer. Milled on liner from 5934'-5940' and circulated hole clean.

5/1/12 – Tagged liner at 5940'. Milled on liner to 5943'. Circulated hole clean.

5/2/12-5/8/12 - Drilled out seats to a depth of 10,377'. Circulated hole clean.

5/10/12-5/16/12 - Perforated Wolfcamp 9100'-9101' (12), 8860'-8861' (12), 8660'-8661' (12), 8420'-8421' (10), 8210'-8211' (10), 7965'-7966' (10), 7760'-7761' (10), 7510'-7511' (10), 7270'-7271' (8), 7060'-7061' (8), 6830'-6831' (8), 6620'-6621' (8), 6360'-6361' (8) and 6160'-6161' (6).

5/17/12 – ND BOP.

5/21/12 – Acidized 9100'-9101' with 2500g 20% HCL acid, frac with 104,964# sand. Acidized 8860'-8861' with 2500g 20% HCL acid, frac with 105,569# sand. Acidized 8660'-8661' with 2500g 20% HCL acid, frac with 101,160# sand. Acidized 8420'-8421' with 2500g 20% HCL acid, frac with 96,454# sand. Acidized 8210'-8211' with 2500g 20% HCL acid, frac with 98,443# sand. Acidized 7965'-7966' with 2500g 20% HCL acid, frac with 96,613# sand. Acidized 7760'-7761' with 2500g 20% HCL acid, frac with 106,524# sand. Acidized 7510'-7511' with 2500g 20% HCL acid, frac with 105,344# sand. Acidized 7270'-7271' with 2500g 20% HCL acid, frac with 105,703# sand.

5/22/12 – Acidized 7060'-7061' with 2500g 20% HCL acid, frac with 107,525# sand. Acidized 6830'-6831' with 2500g 20% HCL acid, frac with 111,058# sand. Acidized 6620'-6621' with 2500g 20% HCL acid, frac with 109,128# sand. Acidized 6360'-6361' with 2500g 20% HCL acid, frac with 132,391# sand. Acidized 6160'-6161' with 2500g 20% HCL acid, frac with 114,977# sand. 2-7/8" 6.5# J-55 tubing at 5468'.

6/9/12 – Date of 1<sup>st</sup> production – Wolfcamp

Final bottomhole location is 421'FSL & 351'FWL (Unit M, SWSW) of Section 27-T16S-R27E. Current wellbore schematic attached.



Regulatory Reporting Supervisor  
June 15, 2012

Well Name: Mucho Luck BBW Federal Com #2H Field:

Location: 1100' FSL & 330' FEL Sec. 27-16S-27E Eddy Co, NM

GL: 3456' Zero:            AGL:            KB: 3474.5'

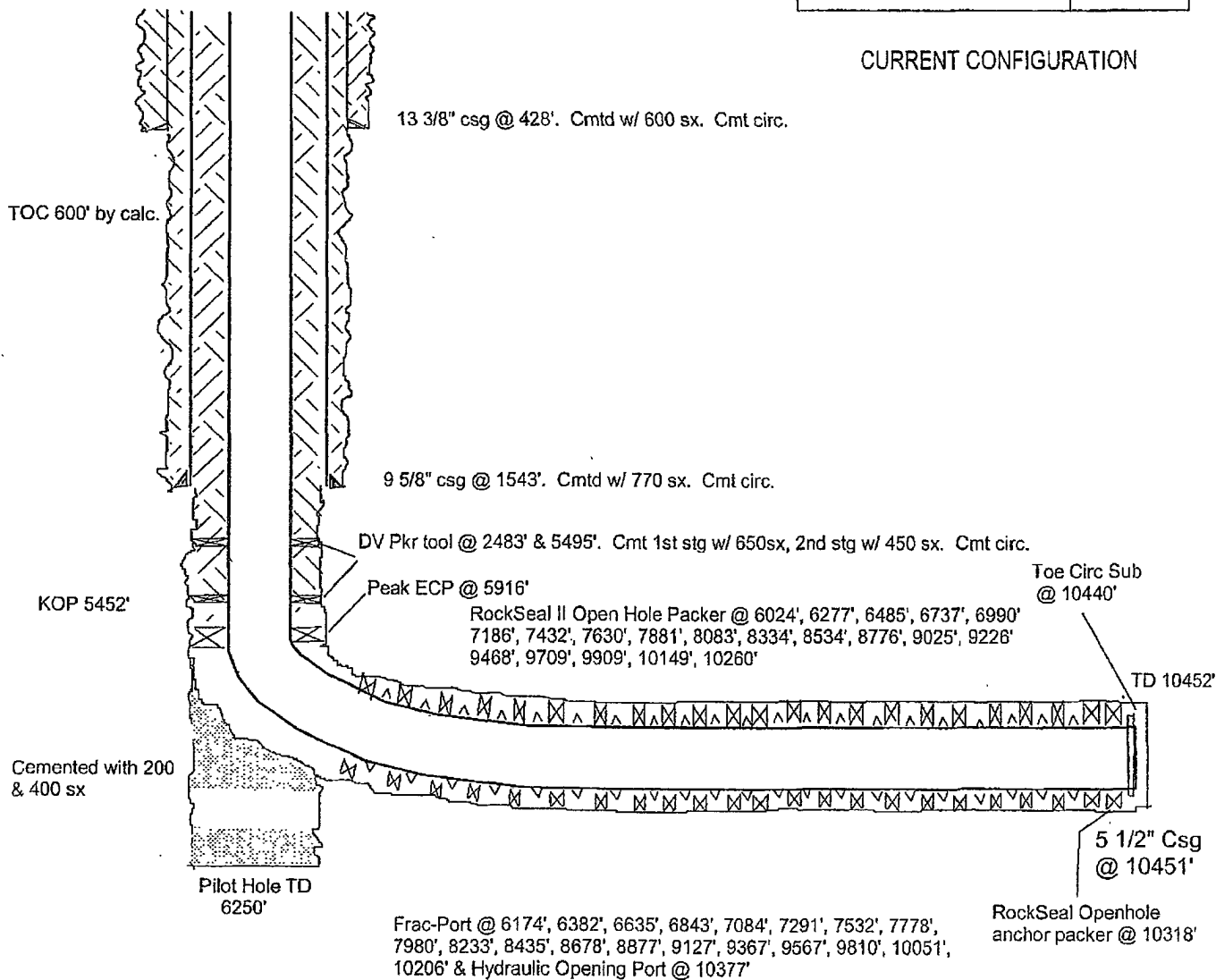
Spud Date:                      Completion Date:                     

Comments: Horizontal well.

BHL 419' FSL & 522' FWL Sec. 27-16S-27E

Casing Program	
Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# J55	428'
9 5/8" 36# K55	1543'
5 1/2" 17# P110	10452'

CURRENT CONFIGURATION



Perf Clusters: 9100', 8860', 8660', 8420', 8210',  
7965', 7760', 7510', 7210', 7060', 6830',  
6620', 6360', 6160'

SKETCH NOT TO SCALE

DATE: 5/11/12 MCHOLK2