

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

OCD APD 06 2012

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.

NMOC ARTESIA

5. Lease Serial No.
NMNM1361

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No
CC TANK UNIT FEDERAL 49. API Well No
30-015-2020310. Field and Pool, or Exploratory
DAGGER DRAW; UPPER PENN,S11. County or Parish, and State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**1. Type of Well **PGW**
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator **YATES PETROLEUM CORPORATION** Contact **TINA HUERTA**
Mail: **tinah@yatespetroleum.com**3a. Address
**105 SOUTH FOURTH STREET
ARTESIA, NM 88210**3b. Phone No. (include area code)
Ph: **575-748-4168**
Fx: **575-748-4585**4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 8 T20S R24E NWSE 1830FSL 1980FEL**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleate 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 recompletion 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.)

Yates Petroleum Corporation plans to plugback and recompleate this well as follows:

1. MIRU any safety equipment as needed. NU BOP. *see COA*
2. Set a CIBP at 8887' and cap with 25 sx Class "H" cement. Pressure test casing to 500 psi, if leaks are detected TIH with packer and RBP to isolate leaks and discuss repairs with the office. If no leaks are detected, pull a CBL and verify TOC is 7104'.
3. Perforate Canyon 7466'-7478'(13), 7504'-7510'(7), 7538'-7542'(5), 7556'-7562'(7), 7582'-7586'(5), 7604'-7610'(7) and 7624'-7628'(5).
4. Swab test and evaluate if testing warrants acidize with 5000g 20% HCL. Flush and over displace the acid with 500 bbls 2% KCL water.
5. Shut the well in for 1 hr to allow the acid to spend, flow the well back if it will flow. RIH with pumping equipment.

**WITNESS
PLUG BACK****SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. Thereby certify that the foregoing is true and correct.

**Electronic Submission #138333 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 05/24/2012 ()**Name (Printed/Typed) **TINA HUERTA**Title **REG REPORTING SUPERVISOR**

Signature (Electronic Submission)

Date **05/17/2012****THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

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

APPROVED**SEP 4 2012**

Date

**WESLEY W. INGRAM
PETROLEUM ENGINEER**

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

Provide C102 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

**Accepted for record
NMOC**

Additional data for EC transaction #138333 that would not fit on the form

32. Additional remarks, continued

6. Turn well over to production to produce.

Wellbore schematics attached

WELL NAME: CC Tank Unit Fed. #4 FIELD: Dagger Draw West

LOCATION: 1,830' FSL & 1,980' FEL of Section 08-20S-24E Eddy Co., NM

GL: 3,840' ZERO: 11' KB: 3,851'

SPUD DATE: 06/15/76 COMPLETION DATE: 07/22/76

COMMENTS: API No.: 30-015-20203

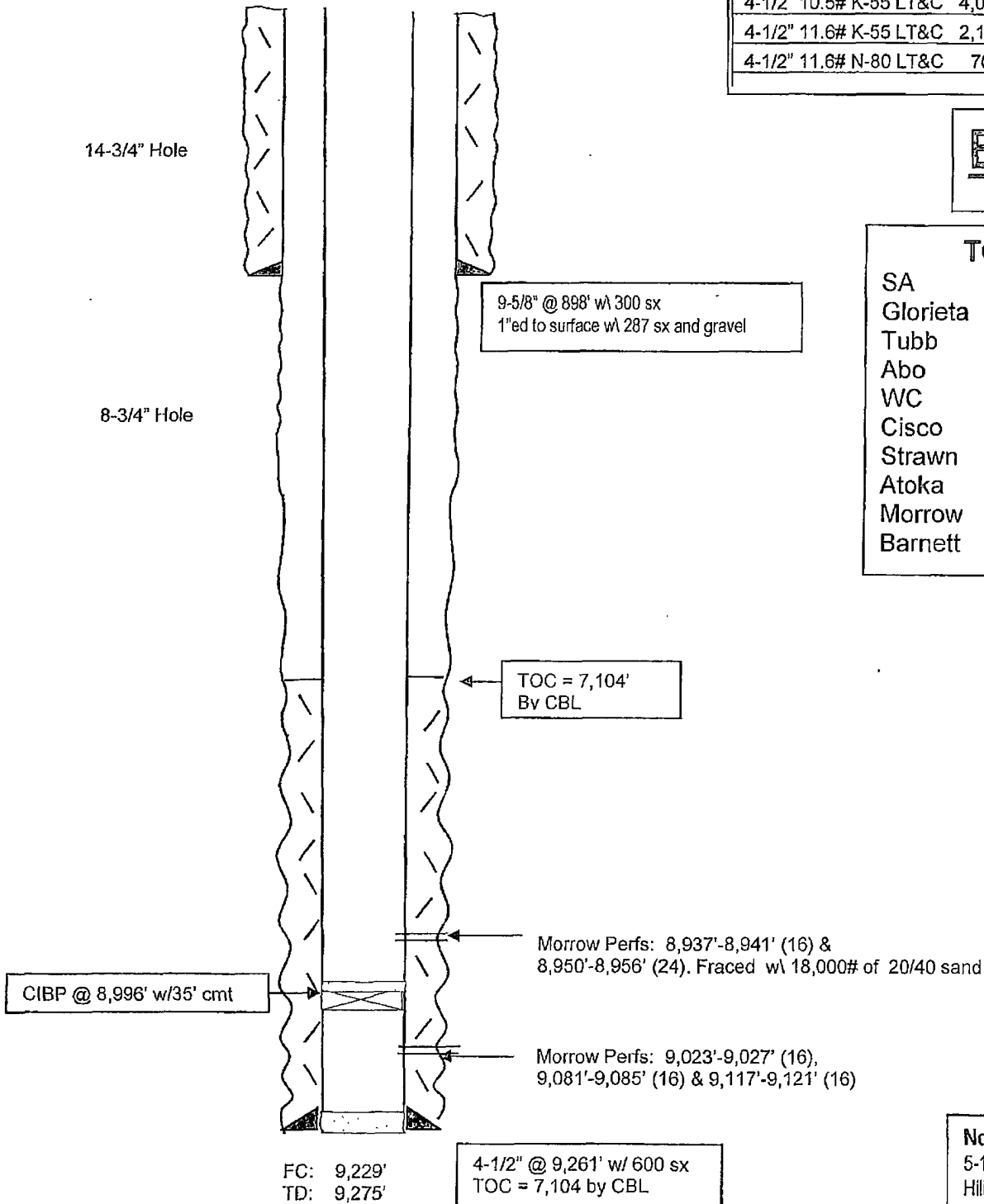
CASING PROGRAM

9-5/8" 32.3 H-40	898'
4-1/2" 11.6# K-55 LT&C 2,339'	
4-1/2" 10.5# K-55 LT&C 4,027'	
4-1/2" 11.6# K-55 LT&C 2,189'	
4-1/2" 11.6# N-80 LT&C 709'	9,261'

Before

TOPS

SA	314'
Glorieta	1,690'
Tubb	3,340'
Abo	3,992'
WC	5,214'
Cisco	7,380'
Strawn	8,000'
Atoka	8,570'
Morrow	8,935'
Barnett	9,030'



Not to Scale
5-10-12
Hill

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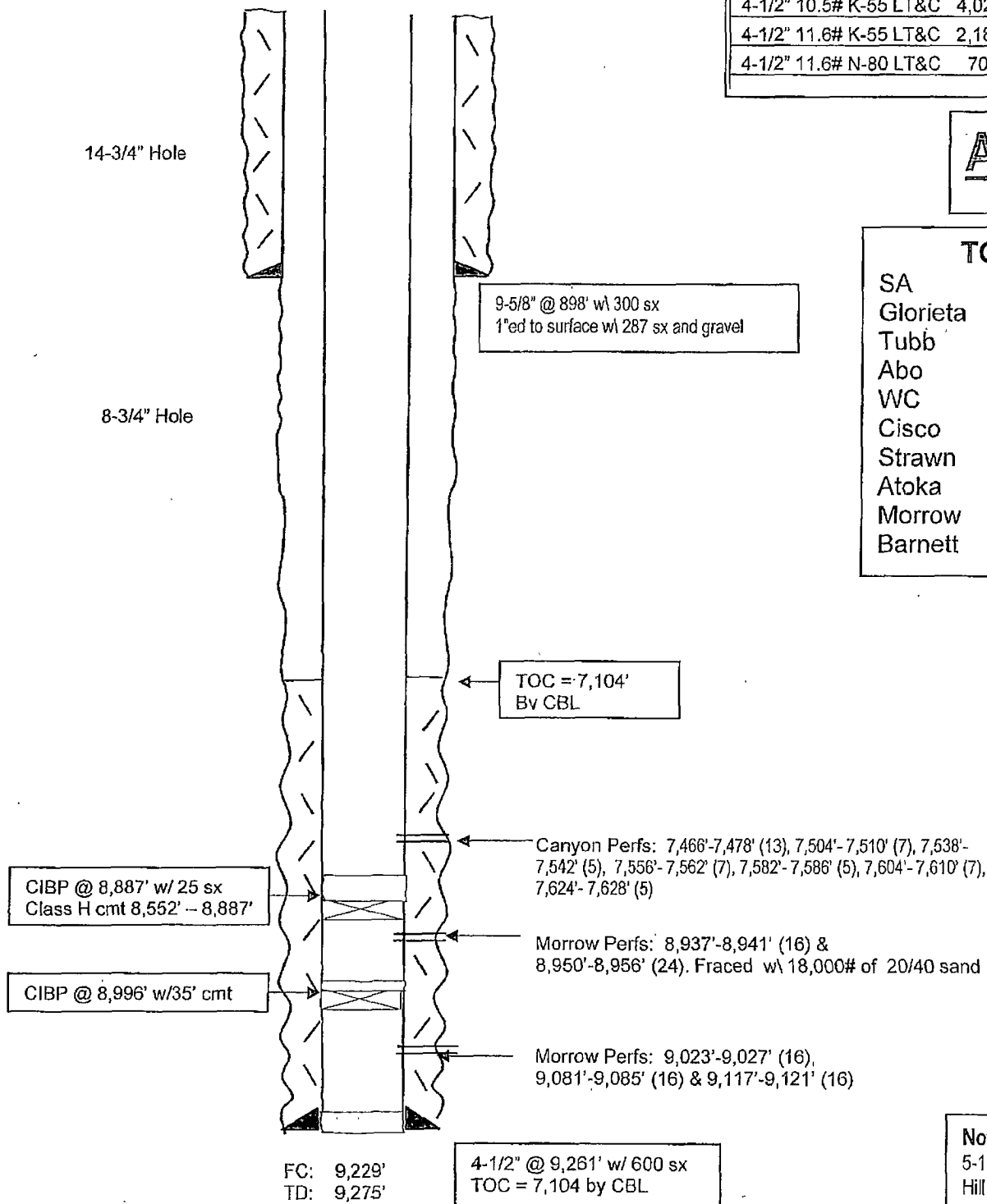
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Conditions of Approval

Yates Petroleum Corporation

CC Tank Unit Federal 4

API 30-015-20203

September 4, 2012

1. A new "Well Location and Acreage Dedication Plat" (NMOCD Form C-102) is required with the notice of intent package when recompleting to another formation.
2. **Notify BLM 575-361-2822 a minimum of 24 hours prior to commencing plug back procedures.** These procedures shall be witnessed. If no answer, leave a voice mail with the API#, workover purpose and a call back phone number. Note the contact, time and date in your subsequent report.
3. **Provide BLM with an electronic copy (Adobe Acrobat Document) of the cement bond log record of Step 2 (NOI procedure). Less than 500' between the proposed top perforation and top of cement or lack of a 500' overlap above next casing shoe may require remediation. The BLM CFO on call engineer may be reached at 575-706-2779.**
4. Surface disturbance beyond the existing pad must have prior approval.
5. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
6. Functional H₂S monitoring equipment shall be on location.
7. A minimum of 3000 (3M) BOPE is to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
8. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

9. **Step 2 – cement plug shall be set across the Morrow perforations. Tag the cement on the existing CIBP at 8,996'. Pump a minimum of 25 sacks of neat Class H. Plug shall be tagged at 8,850' or shallower. Operator may pump sufficient cement to obtain the desired top above the proposed CIBP at 8,887', which is deleted with this procedure. This plug will cover the upper Morrow perforations and the top of the Morrow formation.**
10. Minimum 25 sack (class H > 7500' and C < 7500') cement plugs are required. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs shall be neat Class C or neat Class H.
11. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
12. **The BLM witness is to run tubing tally and agree to cement and mud quality and placement. Sample the plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM witness.**
13. After setting the top plug and before perforating, perform a BLM witnessed casing integrity test (charted) to 500 psi. Pressure leak off may require remedial action prior to proceeding. Include a copy of the chart in the subsequent sundry for this workover.
14. File a subsequent sundry Form 3160-5 within 30 days of the plug back and acid treatment. Include an updated wellbore diagram
15. Submit the BLM Form 3160-4 **Completion Report** within 30 days of the date all BLM approved procedures are complete.
16. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.
17. Submit evaluation that proposed formation perforations are productive in paying quantities.

PRS/WW1 090412

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.