

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM78214
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: LAURA WATTS E-Mail: laura@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4272 Fx: 575-748-4585	8. Well Name and No. ANEMONE ANE FEDERAL 7
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T22S R24E SWSW 1310FSL 1003FWL		9. API Well No. 30-015-33044-00-S2
		10. Field and Pool, or Exploratory MCKITTRICK HILLS
		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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity

13. Describe Proposed or Completed Operation (clearly state all pertinent details, in If the proposal is to deepen directionally or recompletable horizontally, give subsu Attach the Bond under which the work will be performed or provide the Bond N following completion of the involved operations. If the operation results in a mul testing has been completed. Final Abandonment Notices shall be filed only after determined that the site is ready for final inspection.)

Yates Petroleum Corporation plans to recompletable this well as follo

1. Perforate Morrow 10,322 ft to 10,330 ft (49).
2. Set packer at +/- 10,072 ft and swab the tubing down. Breakdown Morrow perf's with 2000 gallons of 7.5 percent MSA with iron control for 10,000 ppm and with a gas surfactant and migrating clay control additive. Flush to bottom perf with treated water. Drop 75 1.3 S.G. ball sealers spaced out evenly throughout the acid. Flow test and evaluate. If decision is made to frac, set blanking plug and POOH with the 2.875 inch tubing.
3. Pump a fracturing treatment at 25 BPM down the 3.5 inch tubing (treating schedule 1 attached).
4. Set a composite BP at 10,210 ft, perforate Morrow 10,084 ft to 10,094 ft (61).
5. Set packer at +/- 9,834 ft and swab the tubing down. Breakdown Morrow perf's with 2000 gallons of 7.5 percent MSA with iron control for 10,000 ppm and with a gas surfactant and migrating clay

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

Electronic Submission #276314 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH HAM on 01/30/2015 (15DMH0557SE)

Name (Printed/Typed) LAURA WATTS

Title REG REPORTING TECHNICIAN

Signature (Electronic Submission)

Date 11/05/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 02/10/2015

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 #276314 that would not fit on the form

32. Additional remarks, continued

control additive. Flush to bottom perf with treated water. Drop 75 1.3 S.G. ball sealers spaced out evenly throughout the acid. Flow test and evaluate. If decision is made to frac, set blanking plug and POOH with 2.875 inch tubing.

6. Pump a fracturing treatment at 25 BPM down the 3.5 inch tubing (treating schedule 2 attached).

7. Flow well back and allow the well to clean up. Consider swapping out the tubing and turning the well over to production

8. Drill out composite plug at 10,210 ft. Set a composite BP at 10,023 ft perforate Morrow 9,950 ft to 9,962 ft (73).

9. Set packer at +/- 9,700 ft and swab the tubing down. Breakdown Morrow perfs with 2500 gallons of 7.5 percent MSA with iron control for 10,000 ppm and with a gas surfactant and migrating clay control additive. Flush to bottom perf with treated water. Drop 100 1.3 S.G. ball sealers spaced out evenly throughout the acid. Flow test and evaluate. If decision is made to frac, set blanking plug and POOH with 2.875 inch tubing.

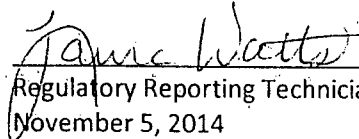
CONTINUED ON ATTACHED SHEET

Anemone ANE Federal #7
Sec 9-T22S-R24E
Eddy County, New Mexico
Page 2

Form 3160-5 continued:

10. Pump a fracturing treatment at 25 BPM down the 3.5 inch tubing (treating schedule 3 attached).
 11. Flow the well back and allow the well to clean up. Drill out the composite BP at 10,023 ft. Set packer at +/- 9,850 ft. ND BOP and turn the well over to production.
- Wellbore schematics attached

Note: Verbal approval was granted by Ed Fernandez.


Regulatory Reporting Technician
November 5, 2014

Treating Schedule 1

Stage Number	gal Foam	IFF at 147°F	Prop Conc lb/gal Foam	lb Proppant		Proppant Type
				Stage	Cumulative	
1	15000.	.65	0.00	0.	0.	----
2	2300.	.65	.50	1150.	1150.	20/40 Econo-Prop
3	5300.	.65	1.00	5300.	6450.	20/40 Econo-Prop
4	5300.	.65	1.50	7950.	14400.	20/40 Econo-Prop
5	5300.	.65	2.00	10600.	25000.	20/40 Econo-Prop
6	3873.	.65	0.00	0.	0.	----

Estimated Surface Treating Pressure = 9,825 psig.

Maximum Surface Treating Pressure = 10,750 psig.

Treating Schedule Z

Stage Number	gal Foam	IPF at 147°F	Prop Conc lb/gal Foam	lb Proppant		Proppant Type
				Stage	Cumulative	
1	15000.	.65	0.00	0.	0.	----
2	2300.	.65	.50	1150.	1150.	20/40 Econo-Prop
3	5300.	.65	1.00	5300.	6450.	20/40 Econo-Prop
4	5300.	.65	1.50	7950.	14400.	20/40 Econo-Prop
5	5300.	.65	2.00	10600.	25000.	20/40 Econo-Prop
6	3796.	.65	0.00	0.	0.	----

Estimated Surface Treating Pressure = 9,795 psig.

Maximum Surface Treating Pressure = 10,750 psig.

Treating Schedule 3

Stage Number	gal Foam	IPF at 147°F	Prop Conc lb/gal Foam	lb Proppant		Proppant Type
				Stage	Cumulative	
1	15000.	.65	0.00	0.	0.	----
2	2760.	.65	.50	1380.	1380.	20/40 Econo-Prop
3	6360.	.65	1.00	6360.	7740.	20/40 Econo-Prop
4	6360.	.65	1.50	9540.	17280.	20/40 Econo-Prop
5	6360.	.65	2.00	12720.	30000.	20/40 Econo-Prop
6	3752.	.65	0.00	0.	0.	----

Estimated Surface Treating Pressure = 9,778 psig.

Maximum Surface Treating Pressure = 10,750 psig.

WELL NAME: Anemone ANE Federal No. 7

FIELD: Indian Basin

LOCATION: BHL=1980' FSL & 660' FWL Sec 9-22S-24E SL=1,310' FSL & 1,003' FWL Eddy Co. NM

GL: 4,010' ZERO: KB: 4,027'

SPUD DATE: 11-15-03 COMPLETION DATE: 12-21-03

COMMENTS: API No. 30-015-33044

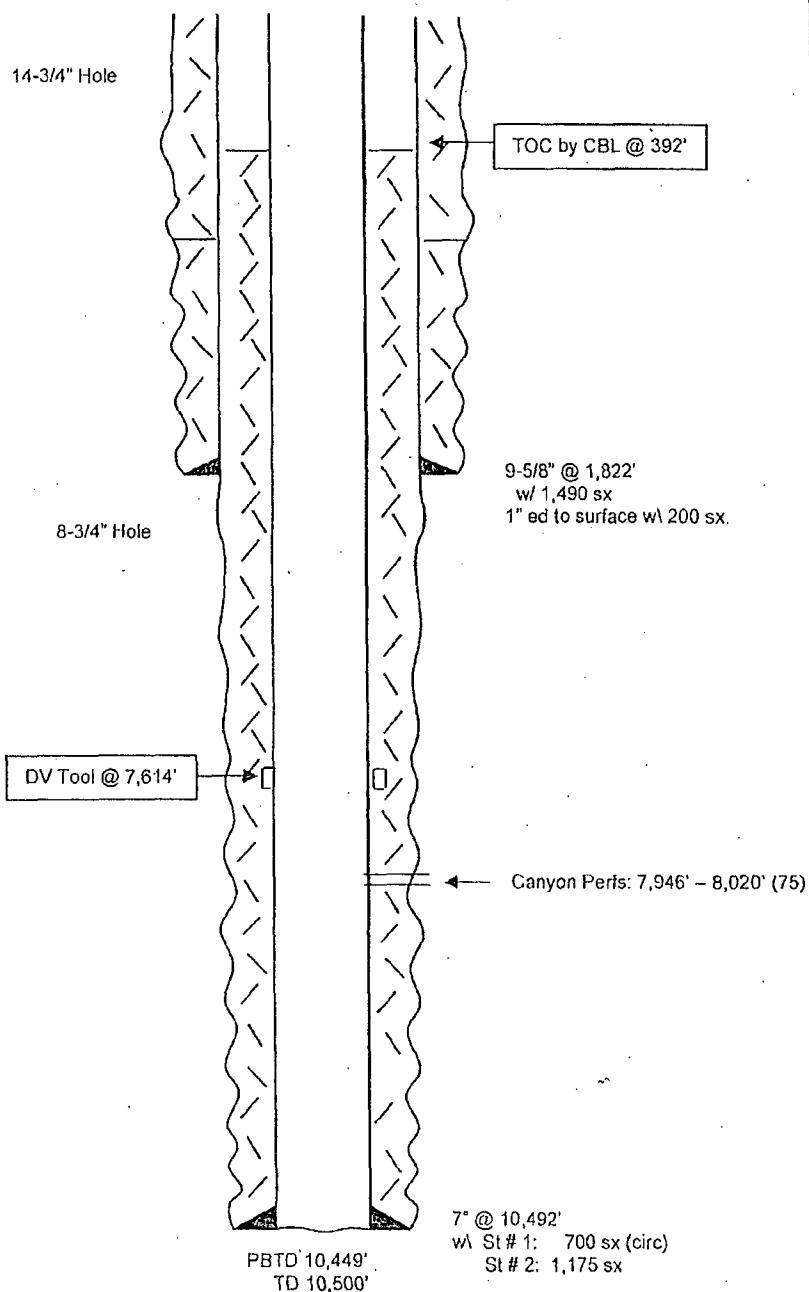
CASING PROGRAM

9-5/8" 32# J55	1,822'
Top	
7" 26# N80 LT&C 9,219'	
7" 26# P110 LT&C 1,274'	10,492'
Bottom	

Before

Tops:

Bone Spring	1,251'
Wolfeamp	7,303'
Upper Penn	7,925'
Strawn	8,933'
Atoka	9,384'
Morrow	9,898'
Barnett shale	10,330'



Not to Scale

6-4-14
JMH

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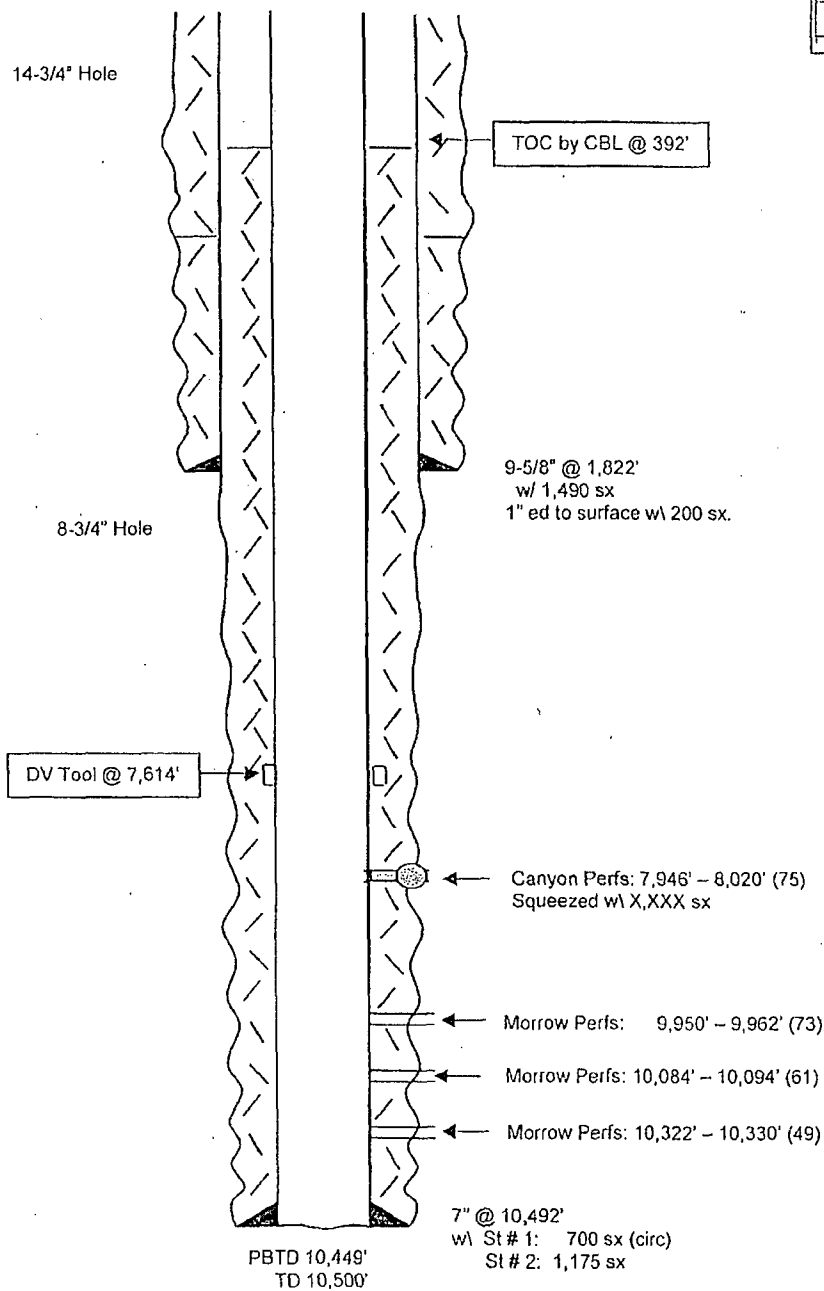
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Not to Scale

10-13-14
JMH



Fernandez, Edward <efernand@blm.gov>

ANEMONE ANE FEDERAL #7

2 messages

Mike Hill <MikeH@yatespetroleum.com>
To: "efernand@blm.gov" <efernand@blm.gov>

Fri, Oct 10, 2014 at 3:57 PM

Edward Fernandez,

Re: ANEMONE ANE FEDERAL #7

LOCATION: 9-22S-24E (1310 FSL & 1003 FWL)

COUNTY & STATE: EDDY—NEW MEXICO

As per our telephone conversations I would like to test the Morrow sands below instead of the Straw/Atoka sand that we currently have approval to test.

We plan on perforating, acidizing and testing each zone if the testing warrant a CO@ foam frac would then be performed. I will send updated information to you

Next week when I get the procedure finished.

MORROW SANDSTONES:

10,322-10,330: Sandstone: Clear to milky to white, very fine-fine grained, consolidated, subangular-angular, some is subrounded, well sorted and well cemented, calcareous cement. Porosity: 8.5%; Resist: 60 ohms; SW: 44%; RW: .07. Mudlog: Gas Kick: 700 units, Drill Break: 2 ¼ mins/ft, No fluorescence or cut.

10,084-10,094: Sandstone: Clear-milky white, light gray, very fine-fine grained, well consolidated, calcareous cement, well sorted, well consolidated, subangular-subrounded.

Porosity: 6.5%; Resist: 150 ohms; SW: 16%; RW: .07. Mudlog: Gas Kick: 240 units, Drill Break: 4 mins/ft, No cut or fluorescence.

9,950-9,962: Sandstone: Clear-milky-light gray, very fine-fine grained, some medium grained, scattered coarse grained, mostly unconsolidated, angular-subangular, subrounded. Porosity: 10%; Resist: 30 ohms; SW: 21%; RW: .07. Mudlog: Gas Kick: 700 units, Drill Break: 2 mins/ft. No cut or fluorescence.

Thank You,

Mike Hill

Area Engineer

Yates Petroleum Corporation

Office: (575) 748-4219

Cell : (575) 365-8706

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Fernandez, Edward <efernand@blm.gov>
To: Mike Hill <MikeH@yatespetroleum.com>

Fri, Oct 10, 2014 at 4:01 PM

Mike the BLM concurs and approves the above plan of action.

Attached this approval to the current approved sundry

Consider this the approval to revise the current sundry.

Edward G. Fernandez
Petroleum Engineer
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
620 E. Greene St
Carlsbad, NM 88220
Ph: (575) 234-2220
FAX: (575) 234-5927

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