

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

QCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.
NMNM113939

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
GUTSY BUN FEDERAL COM 1H9. API Well No.
30-015-44032-00-X110. Field and Pool or Exploratory Area
UNDESIGNATED11. County or Parish, State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 1**NATIONAL CONSERVATION
ARTESIA DISTRICT

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

MAY 11 2017

2. Name of Operator

YATES PETROLEUM CORPORATION

Contact: STAN WAGNER

E-Mail: stan_wagner@eogresources.com

3a. Address

105 SOUTH FOURTH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)

Ph: 432-686-3689

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

Sec 4 T26S R26E NWNW 200FNL 300FWL

12. CHECK THE 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"/> Hydraulic Fracturing	<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	Change to Original A
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

EOG Resources requests an amendment to our approved APD for this well to allow for the use of a surface rig to set surface and intermediate casing as detailed in the attached procedure.

OC 5-12-17
Accepted for record - NMOCD

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

Electronic Submission #374531 verified by the BLM Well Information System

For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by DEBORAH MCKINNEY on 05/04/2017 (17DLM1591SE)

Name (Printed/Typed) STAN WAGNER

Title AGENT

Signature (Electronic Submission)

Date 05/01/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By



Title

Eng

Date

5/5/17

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

CFO

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.

(Instructions on page 2)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Gutsy BUN Federal Com #1H Sundry

Cement Program:

Depth	No. Sacks	Wt. ppg	Yld Ft ³ /ft	Mix Water Gal/sk	Slurry Description
400'	500	14.8	1.34	1.34	Class C + 2% CaCl ₂ + 4% Gel + 0.25 pps Celloflake (TOC @ Surface)
1,750'	800	12.7	2.37	13.28	Class C + 10% NaCl + 6% Gel + 3% MagOx + 0.25 pps Celloflake + 0.15% CPT-20A (TOC @ Surface)
	200	14.8	1.37	6.54	Class C + 3% MagOx
17,122'	1000	10.8	2.44	14.98	Lucem + 0.3% GXT-C + 0.4% CPT-503P + 0.2% CPT-17 + 0.25 pps Celloflake + 4 pps Kol Seal + 0.1% CPT-20A + 0.1% Citric Acid + 3% MagOx (TOC @ 1,250')
	100	11.5	3.99	23.79	Class C + 5% NaCl + 5% Gypsum + 30 pps SFA + 0.4% CPT-503P + 1.5% CPT-45 + 0.25% CD-3 + 0.65% CPT-20A + 0.65% Citric Acid + 3% MagOx
	3000	14.8	1.26	5.46	25:75 Poz:Class H + 0.15% CPT-51A + 0.4% CPT-14B + 3% MagOx + 0.3% CD-3 + 0.15% CPT-20A

Mud Program:

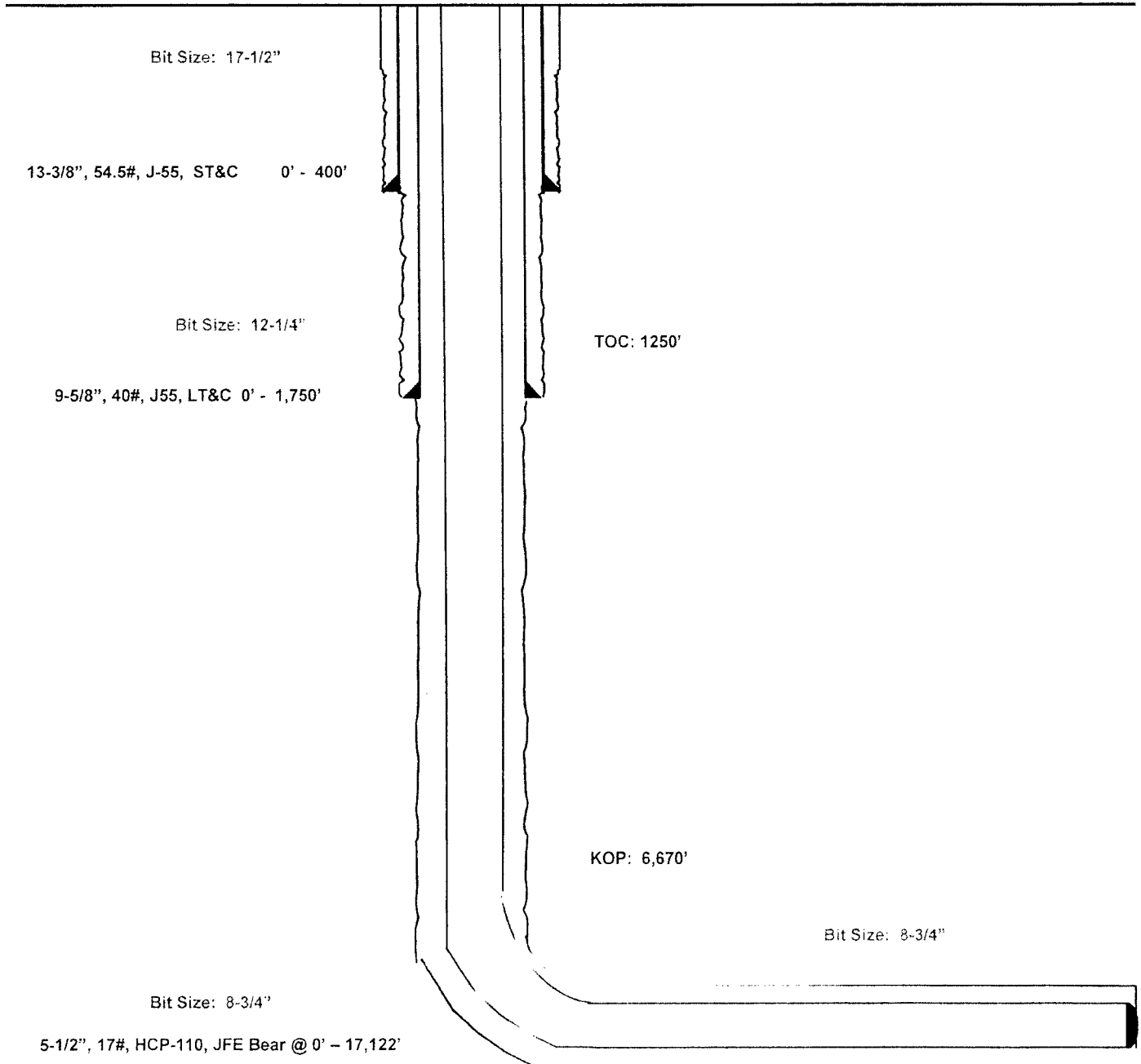
Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 - 400'	Fresh - Gel	8.6-9.2	28-34	N/c
400' - 1,800'	Brine	10.0-10.2	28-34	N/c
1,800' - 17,122'	Brine (vert) /	8.8-10.0 /	28-34 /	N/c
1750	OBM (lateral)	8.8-10.0	55-75	

Gutsy BUN Fed Com #1H

200' FNL
300' FWL
Section 4
T-26-S, R-26-E

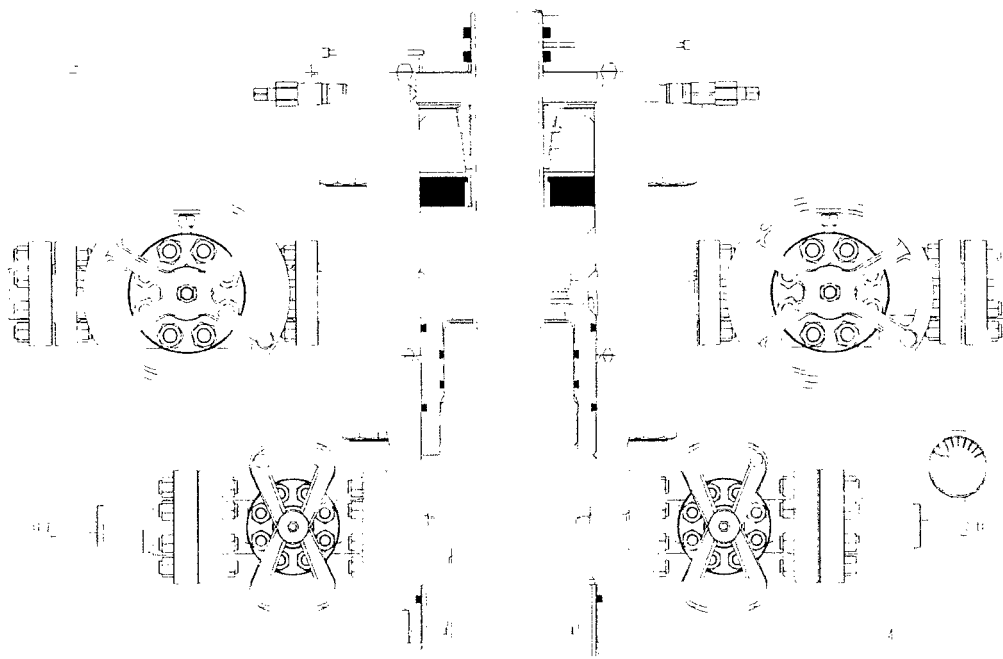
Eddy County, New Mexico
Proposed Wellbore
Revised 5/1/17
API: 30-015-44032

KB: 3,452'
GL: 3,427'



Lateral: 17,122' MD, 7,120' TVD

BH Location: 330' FSL & 660' FWL
Section 9
T-26-S, R-26-E



Worldwide Expertise - Global Strength

Gutsy BUN Federal Com #1H Sundry

1. Request for variance for the option to preset surface and intermediate casing with surface rig:

- a) EOG Requests the option to contract a Surface Rig to drill 17 1/2" surface hole, set 13 3/8" surface casing, and cement on the Gutsy BUN Fed Com #1H according to plan outlined below and COA's.
- b) The surface rig will then nipple up and test 3,000 psi BOPE (or greater depending on availability) according to permit.
- c) The surface rig will then drill 12 1/4" to 1750', set 9 5/8" casing, and cement according to plan outlined below and COA's.
- d) After WOC according to COA's, the surface rig will nipple down BOPE and install wellhead cap on the wellhead according to attached diagram.
- e) The surface rig will then move off and the Primary Rig will move in to drill the remainder of the well according to the plan outlined below and COA's ^{Prior to May 31, 2017} within 60 days.
- f) The BLM will be notified prior to spud, running and cement surface casing, nipples up and testing BOPE, running and cementing intermediate casing, moving off the Surface Rig, moving on the Primary Rig, nipples up and testing BOPE, running and cementing production casing. ^{Due to lease exp.}

Revised Permit Information 5/1/17:

Well Name: Gutsy BUN Federal Com No. 1H

Location:

SL: 200' FNL & 300' FWL, Section 4, T-26-S, R-26-E, Eddy Co., N.M.

BHL: 330' FSL & 660' FWL, Section 9, T-26-S, R-26-E, Eddy Co., N.M.

Casing Program:

Hole Size	Interval	Csg OD	Weight	Grade	Conn	DF _{min} Collapse	DF _{min} Burst	DF _{min} Tension
17.5"	0 - 400'	13.375"	54.5#	J55	STC	1.125	1.25	1.60
12.25"	0 - 1,750'	9.625"	40#	HCP-110	LTC	1.125	1.25	1.60
8.75"	0' - 17,122'	5.5"	17#	HCP-110	JFE Bear	1.125	1.25	1.60

Variance is also requested to wave any centralizer requirements for the 5-1/2" casing in the 8-3/4" hole size. An expansion additive will be utilized, in the cement slurry, for the entire length of the 8-3/4" hole interval to maximize cement bond and zonal isolation.