

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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. NM-121957
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator Yates Petroleum Corporation ✓

3a. Address 105 S. Fourth St., Artesia, NM 88210

3b. Phone No. (include area code)
(575) 748-4120

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
420' FSL & 110' FWL, Section 9, T21S-R32E ✓

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

8. Well Name and No. Capella BOP Federal #2H 5H ✓

9. API Well No. 30-025-42703 ✓

10. Field and Pool or Exploratory Area
Lost Tank; Delaware

11. Country or Parish, State
Lea County, New Mexico

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 type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<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 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 perfonned 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 detennined that the site is ready for final inspection.)

Yates Petroleum Corporation would like to change the name of the Capella BOP Federal #5H to the Capella BOP Federal #3H. Please see attached replacement pages.

**SUBJECT TO LIKE
APPROVAL BY STATE**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

Travis Hahn

Land Regulatory Agent

Title

Signature

[Signature]

Date

01/11/2016

[Signature]

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Charles Nimmer

PETROLEUM ENGINEER

Title

Office

APPROVED

Date **JAN 15 2016**

BUREAU OF LAND MANAGEMENT

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.

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.

[Signature]

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-8161 Fax: (575) 393-0720

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210
Phone (505) 748-1283 Fax: (505) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-8178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-42703	Pool Code 40299	Pool Name Lost Tank; Delaware
Property Code 37845	Property Name CAPELLA BOP FEDERAL	Well Number 3H
OGRID No. 025575	Operator Name YATES PETROLEUM CORP.	Elevation 3707

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	9	21 S	32 E		420	SOUTH	110	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	9	21 S	32 E		330	NORTH	1980	WEST	LEA

Dedicated Acres 160	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>N 546420.08 E 740203.84</p> <p>1980'</p> <p>PROPOSED BOTTOM HOLE LOCATION Lat - N 32°29'58.63" Long - W 103°40'54.69" NMSPCE - N 546106.33 E 742185.26 (NAD-83)</p> <p>N 543775.27 E 740219.22</p> <p>4902.9'</p> <p>Penetration Point: 540' FSL & 1650' FWL</p> <p>3712.8'</p> <p>110'</p> <p>420'</p> <p>3710.5'</p> <p>N 541143.76 E 740233.70</p> <p>SURFACE LOCATION Lat - N 32°29'43.80" Long - W 103°41'16.54" NMSPCE - N 544564.45 E 740341.49 (NAD-83)</p> <p>N 541164.30 E 742869.24</p>	<p>N 546441.62 E 742839.96</p> <p>B.H.</p> <p>←:Dedicated Acres</p> <p>←:Producing Zone</p> <p>N 543826.80 E 745493.69</p> <p>N 541187.17 E 745509.15</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Travis Hahn</u> Signature <u>1/11/16</u> Date</p> <p><u>Travis Hahn</u> Printed Name <u>thahn@yatespetroleum.com</u> Email Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p><u>GARY L. JONES</u> Signature APRIL 3 2016 Date Surveyed 7977 Signature of Seal of Professional Surveyor</p> <p>W.O. No. 28381</p> <p>Certificate No. Gary L. Jones 7977</p> <p>BASIN SURVEYS 28381</p>
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Nimmer, Charles <cnimmer@blm.gov>

Capella BOP Federal 3H

3 messages

Nimmer, Charles <cnimmer@blm.gov>

Fri, Jan 15, 2016 at 1:52 PM

To: nsaiz@yatespetroleum.com, thahn@yatespetroleum.com

While reviewing the Capella BOP Federal 3H, I had a few issues listed as follows:

1. In the future, when submitting a sundry, in box 13, on the sundry, you must summarize the changes to the drill plan, in addition to the name change.
2. Has the directional drill plan changed because the KOP has changed from the original APD to this sundry? And if so, please submit the directional drill plan?
3. On the surface casing, the depth is inadequate at 1150' does not adequately protect all usable water zones. Our geologists recommends a depth of 1280'.
4. On the surface casing, our collapse calculation shows that the current design is inadequate.
5. On the 2nd intermediate casing, there is no cement program listed . Can you please submit this?
6. On the production casing, the 1st stage cement is inadequate, we calculate % excess of -17%.

As soon as I receive answers to the issues listed above, I can complete this sundry and get it out to you. Thank you.

Very Respectfully,

Charles L. Nimmer
Petroleum Engineer
BLM - Carlsbad Field Office
Phone: (575) 234-2237
Email: cnimmer@blm.gov

Travis Hahn <THahn@yatespetroleum.com>

Fri, Jan 15, 2016 at 2:35 PM

To: "Nimmer, Charles" <cnimmer@blm.gov>, Naomi Saiz <nsaiz@yatespetroleum.com>

Charles,

We do not want to change anything from the approved APD besides the name change, Naomi and I notice the mistakes in the drilling plan but I think we will move the SHL at a later date. For now we would only like a name change from the Capella BOP Federal #5H to the Capella BOP Federal #3H. The only reason all the pages were submitted with the sundry is Wesley Ingram used to want sundrys completed that way. Once my high ups finalize the move then we will submit a new drilling plan and Naomi and I will work with you to make sure we fix everything, if that is ok?

Travis

From: Nimmer, Charles [<mailto:cnimmer@blm.gov>]**Sent:** Friday, January 15, 2016 1:53 PM

To: Naomi Saiz; Travis Hahn
Subject: Capella BOP Federal 3H

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Nimmer, Charles <cnimmer@blm.gov>
Draft To: Travis Hahn <THahn@yatespetroleum.com>

Fri, Jan 15, 2016 at 2:42 PM

Ok

[Quoted text hidden]

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Charles L. Nimmer
Petroleum Engineer
BLM - Carlsbad Field Office
Phone: (575) 234-2237
Email: cnimmer@blm.gov