

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JAN 26 2015

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.*

RECEIVED

**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. NMNM100538
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. BANZAI BKZ FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 23 T25S R25E NENE 660FNL 990FEL		9. API Well No. 30-015-20346-00-S1
		10. Field and Pool, or Exploratory WILDCAT.
		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"/> 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 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 shall 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 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 plug back and recompleat this well as follows:

1. MIRU all safety equipment necessary. NU BOP. Release the packer at 10,975 ft and attempt to get the RBP that is set at 11,206 ft. POOH with the production tubing, packer and RBP. Loading the hole as necessary with treated water.
2. Set a CIBP at 11,038 ft and cap it with 25 sx of class H cement. Pressure test the casing to 2000 psi.
3. ND BOP and test the 4-1/2 inch casing to 8000 psi. Perforate Wolfcamp 10,040 ft - 10,236 ft (52 holes).
4. Pump a fracture treatment (treating schedule 1 attached) while holding the surface treating pressure to less than 8000 psi, while treating down the 4.5 inch casing.
5. Set a flow through frac plug at 10,000 ft. Perforate Wolfcamp 9,686 ft - 9,966 ft (67 holes).



14. Thereby  
Please provide NMOCD w/C-102 (plat)  
for the proposed pool

#272273 verified by the BLM Well Information System

YATES PETROLEUM CORPORATION, sent to the Carlsbad  
committed to AFMSS for processing by ED FERNANDEZ on 01/16/2015 (15EF0018SE)

Name (Printed/Typed) LAURA WATTS

Title REG REPORTING TECHNICIAN

Signature (Electronic Submission)

Date 10/21/2014

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ

Title PETROLEUM ENGINEER

Date 01/20/2015

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 #272273 that would not fit on the form**

**32. Additional remarks, continued**

6. Pump a fracture treatment (treating schedule 2 attached) while holding the surface treating pressure to less than 8600 psi, while treating the 4.5 inch casing.
7. Flow the well back until it dies then drill the frac plug at 10,000 ft. Clean the well out down to 10,500 ft. TIH with production equipment as per the Production Department's design specifications.
8. Turn the well over to the Production Department.

Wellbore schematics attached

**Conditions of Approval**  
Yates Petroleum Corporation  
Banzai BKZ Federal #1  
API 3001520346, T25S-R25E, Sec 23  
January 20, 2015

1. A new "Well Location and Acreage Dedication Plat" (NMOCD Form C-102) is required with the notice of intent package when opening another pay zone.
2. Subject to like approval by the New Mexico Oil Conservation Division.
3. Surface disturbance beyond the existing pad must have prior approval.
4. 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.
5. The BLM is to be notified 24hrs in advance (**575-361-2822**) for a representative to witness plug.
6. **Step #2 operator to cap CIBP WITH 25 sacks and must tag at 10,660 feet or shallower. The tag shall be documented on a subsequent report sundry**
7. Functional H<sub>2</sub>S monitoring equipment shall be on location.
8. A minimum of 3000 (3M) BOPE shall 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.
9. 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.
10. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry. File the subsequent sundry for the frac separately if it is delayed as much as 20 days.
11. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
12. 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.

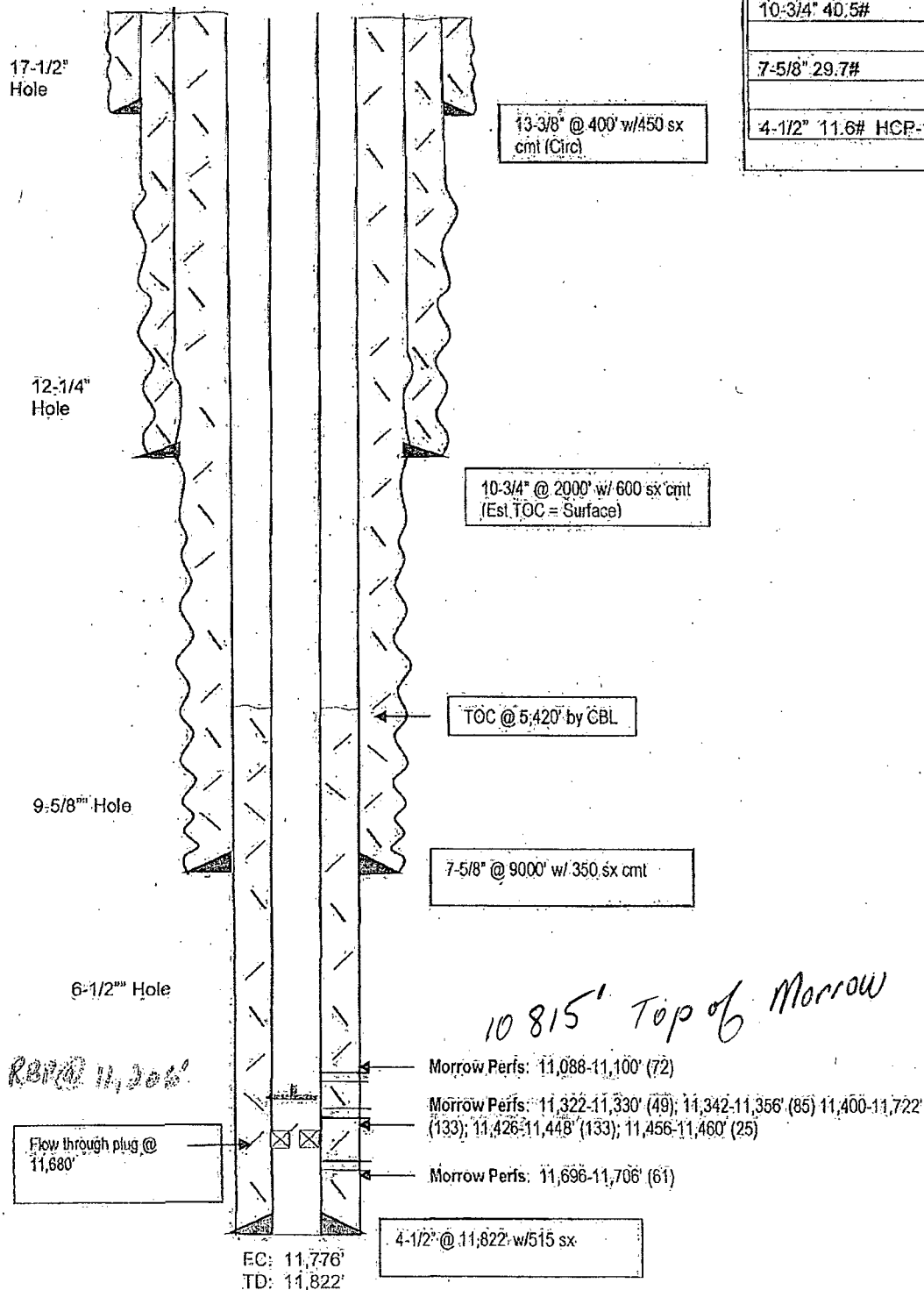
EGF 012015

WELL NAME: Banzaí BKZ Federal #1 FIELD: \_\_\_\_\_  
 LOCATION: 660' FNL & 990' FEL of Section 23-25S-25E Eddy Co., NM  
 GL: 3,412' ZERO: \_\_\_\_\_ KB: \_\_\_\_\_  
 SPUD DATE: 11/6/70 COMPLETION DATE: 12/31/70  
 COMMENTS: API No.: 30-015-20348  
 (Formerly Inexco Whites City Federal #1)

# CASING PROGRAM

13-3/8" 32#	400'
10-3/4" 40.5#	2000'
7-5/8" 29.7#	9,000'
4-1/2" 11.6# HCP-110	11,822'

**Before**



Not to Scale  
 8-19-14  
 JMH

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Eddy Co., NM

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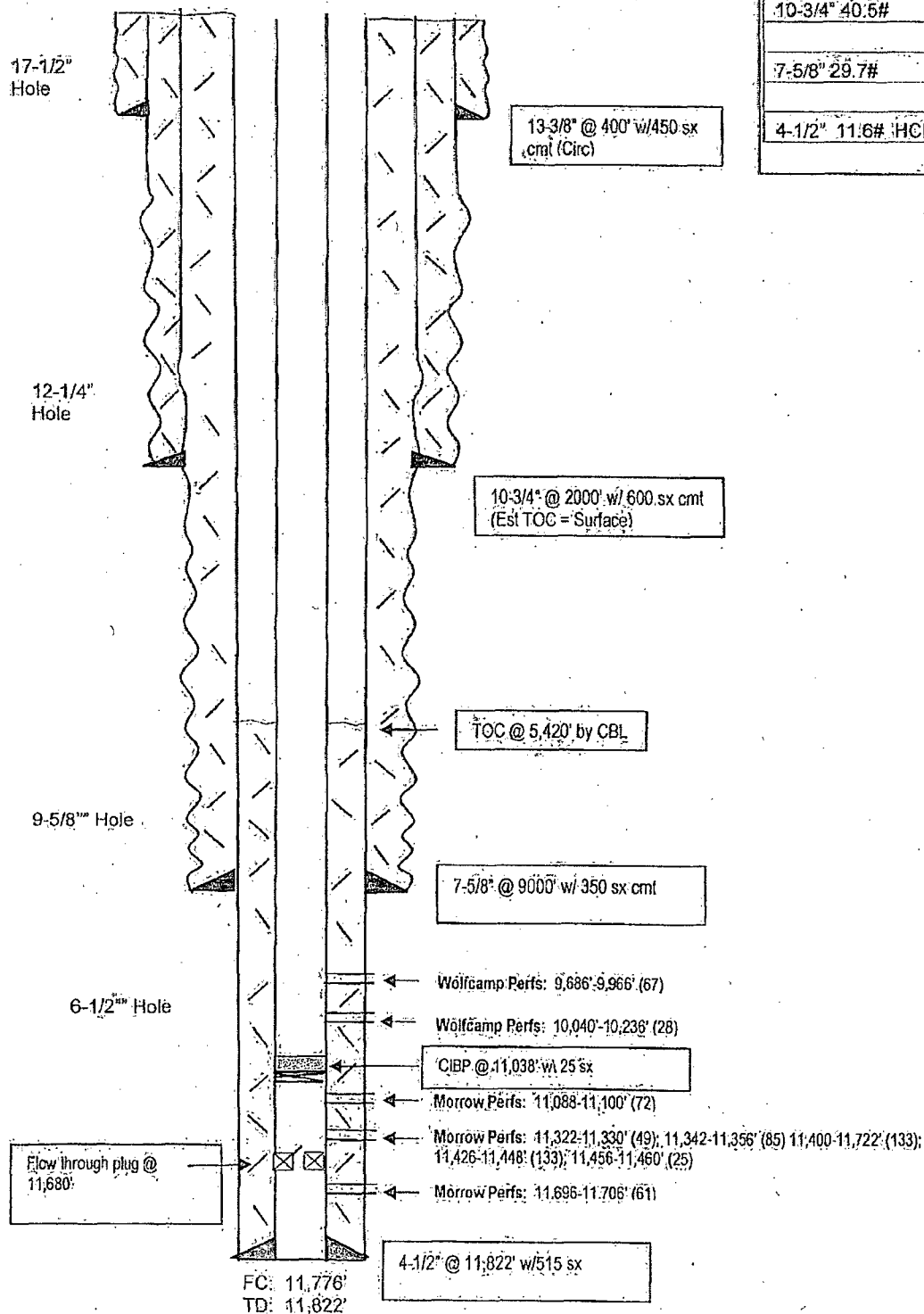
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Treatment Schedule 1

Stage Number	Stage Description	Fluid System	Rate BPM	Clean Volume gal	Slurry Volume gal	Prop Conc lb/gal	Prop Volume Stage	Prop Volume Cum	Prop Type	Stage Time
1.00	Breakdown	Slickwater	10	8,000	8,000		0	0		19.0
2.00	Acid	15% HCl	10	3,000	3,000		0	0		7.1
3.00	SLF	Slickwater	60	9,500	9,500		0	0		3.8
4.00	SLF	Slickwater	60	3,800	3,843	0.25	950	950	100 Mesh	1.5
5.00	SLF	Slickwater	60	9,900	10,126	0.50	4,950	5,900	100 Mesh	4.0
6.00	SLF	Slickwater	60	11,000	11,376	0.75	8,250	14,150	100 Mesh	4.5
7.00	SLF	Slickwater	60	11,000	11,502	1.00	11,000	25,150	100 Mesh	4.6
8.00	SLF	Slickwater	60	11,000	11,627	1.25	13,750	38,900	100 Mesh	4.6
9.00	SLF	Slickwater	60	10,500	11,218	1.50	15,750	54,650	100 Mesh	4.5
10.00	Sweep	Slickwater	60	6,000	6,000	0.00	0	54,650		2.4
11.00	SLF	Slickwater	60	5,520	5,583	0.25	1,380	56,030	40/70 Ottawa	2.2
12.00	SLF	Slickwater	60	11,000	11,251	0.50	5,500	61,530	40/70 Ottawa	4.5
13.00	SLF	Slickwater	60	11,000	11,376	0.75	8,250	69,780	40/70 Ottawa	4.5
14.00	SLF	15# Linear Gel	60	16,600	17,357	1.00	16,600	86,380	40/70 Ottawa	6.9
15.00	SLF	15# Linear Gel	60	16,600	17,546	1.25	20,750	107,130	40/70 Ottawa	7.0
16.00	SLF	15# Linear Gel	60	22,000	23,505	1.50	33,000	140,130	40/70 Ottawa	9.3
17.00	SLF	15# Linear Gel	60	14,200	15,333	1.75	24,850	164,980	40/70 Ottawa	6.1
18.00	Flush	Slickwater	60	16,000	16,000		0	164,980		6.3

Estimated Surface Treating Pressure = 5,484 psig.

Maximum Surface Treating Pressure = 8,000 psig.

## Treatment Schedule 2

Stage Number	Stage Description	Fluid System	Rate BPM	Clean Volume gal	Slurry Volume gal	Prop Conc lb/gal	Prop Volume Stage	Prop Volume Cum	Prop Type	Stage Time
1.00	Breakdown	Slickwater	10	12,000	12,000		0	0		28.6
2.00	Acid	15% HCl	10	5,000	5,000		0	0		11.9
3.00	SLF	Slickwater	60	13,750	13,750		0	0		5.5
4.00	SLF	Slickwater	60	5,430	5,492	0.25	1,358	1,358	100 Mesh	2.2
5.00	SLF	Slickwater	60	14,150	14,473	0.50	7,075	8,433	100 Mesh	5.7
6.00	SLF	Slickwater	60	15,750	16,289	0.75	11,813	20,245	100 Mesh	6.5
7.00	SLF	Slickwater	60	15,750	16,468	1.00	15,750	35,995	100 Mesh	6.5
8.00	SLF	Slickwater	60	15,700	16,595	1.25	19,625	55,620	100 Mesh	6.6
9.00	SLF	Slickwater	60	15,000	16,026	1.50	22,500	78,120	100 Mesh	6.4
10.00	Sweep	Slickwater	60	8,571	8,571	0.00	0	78,120		3.4
11.00	SLF	Slickwater	60	7,900	7,990	0.25	1,975	80,095	40/70 Ottawa	3.2
12.00	SLF	Slickwater	60	15,720	16,078	0.50	7,860	87,955	40/70 Ottawa	6.4
13.00	SLF	Slickwater	60	15,720	16,258	0.75	11,790	99,745	40/70 Ottawa	6.5
14.00	SLF	15# Linear Gel	60	23,720	24,802	1.00	23,720	123,465	40/70 Ottawa	9.8
15.00	SLF	15# Linear Gel	60	23,720	25,072	1.25	29,650	153,115	40/70 Ottawa	9.9
16.00	SLF	15# Linear Gel	60	31,430	33,580	1.50	47,145	200,260	40/70 Ottawa	13.3
17.00	SLF	15# Linear Gel	60	20,300	21,920	1.75	35,525	235,785	40/70 Ottawa	8.7
18.00	Flush	Slickwater	60	16,000	16,000		0	235,785		6.3

Estimated Surface Treating Pressure = 5,290 psig.  
Maximum Surface Treating Pressure = 8,000 psig.

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