

(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

OMB No. 1004-0135
r 30, 2000

BLM-Roswell

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

RECEIVED

2. Name of Operator

Yates Petroleum Corporation

OCT - 1 2004

3a. Address

105 South Fourth Street, Artesia, NM 88210

3b. Phone

(505) 748-1471

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

2405' FNL and 2139' FEL Surface Location

1980' FSL and 660' FWL Bottom Hole Location Lot 3

Section 6, T22S-R24E

5. Lease Serial No.

NM-81218

6. If Indian, Allottee or Tribe Name

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

14056

8. Well Name and No.

Brannigan ANF Federal # 8

9. API Well No.

30-015-33058

10. Field and Pool, or Exploratory Area

Indian Basin Upper Penn Assoc.

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Extend
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	APD
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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 recomple 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 wishes to extend the captioned well's APD for one (1) year to October 09, 2005.

A drilling pit will be constructed at this wellsite under Yates Petroleum Corporation general plan that was approved by OCD on April 15, 2004.

H2S Drilling Operations Plan attached.

APPROVED FOR 12 MONTH PERIOD
ENDING 10/9/05

The State Engineers Web Site has been accessed for the captioned well. There were no records found of ground water depth, water well, or any indication of any surface water in the area surrounding this well location.

Thank you.

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

Name (Printed/Typed)

Debbie L. Caffall

Title: email debbie@ypcnm.com

Regulatory Technician/Land Department-CY

Signature

Date

September 9, 2004

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ Joe G. Lara

Title

FIELD MANAGER

Date

29 SEP 2004

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 FIELD OFFICE

Title 18 U.S.C. Section 1001, 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 reverse)

**YATES PETROLEUM CORPORATION
BRANNIGAN "ANF" FEDERAL #8
SURFACE: 2405' FNL AND 2139' FEL
BOTTOM HOLE: 1980' FSL AND 660' FWL
Section 6, T19S-R24E
Eddy County, New Mexico**

H2S Drilling Operations Plan

Personnel employed at the rig site shall receive training in H2S detection, safe drilling procedures and contingency plans. H2S safety equipment shall be installed and functional 3 days or 500 feet prior to encountering known or probable H2S zone at 3200' feet.

Submitted with the APD is a well site diagram showing:

- 1) Drilling rig orientation, location of flare pit.
- 2) Prevailing wind direction.
- 3) Location of access road.

Primary briefing area will be established 150' from wellbore and up wind of prevailing wind direction. Secondary briefing area will be established 180 degrees from primary briefing area.

A H2S warning sign will be posted at the entrance of the location. Depending on conditions, a green, yellow, or red flag will be displayed.

Green - Normal conditions

Yellow - Potential danger

Red - Danger H2S present

Wind indicators will be placed on location at strategic, highly visible areas. H2S monitors (a minimum of three) will be positioned on location for best coverage and response. H2S concentrations of 10 ppm will trigger a flashing light and 20 ppm will trigger an audible siren.

H2S breathing equipment will consist of:

- 1) 30 minute "pressure demand" type working unit for each member of rig crew on location.
- 2) 5 minute escape packs for each crew member.
- 3) Trailer with a "cascade air system: to facilitate working in a H2S environment for time period greater than 30 minutes.

BRANNIGAN "ANF" FEDERAL #8

Page 2

Breathing equipment will be stored in weather proof cases or facilities. They will be inspected and maintained weekly.

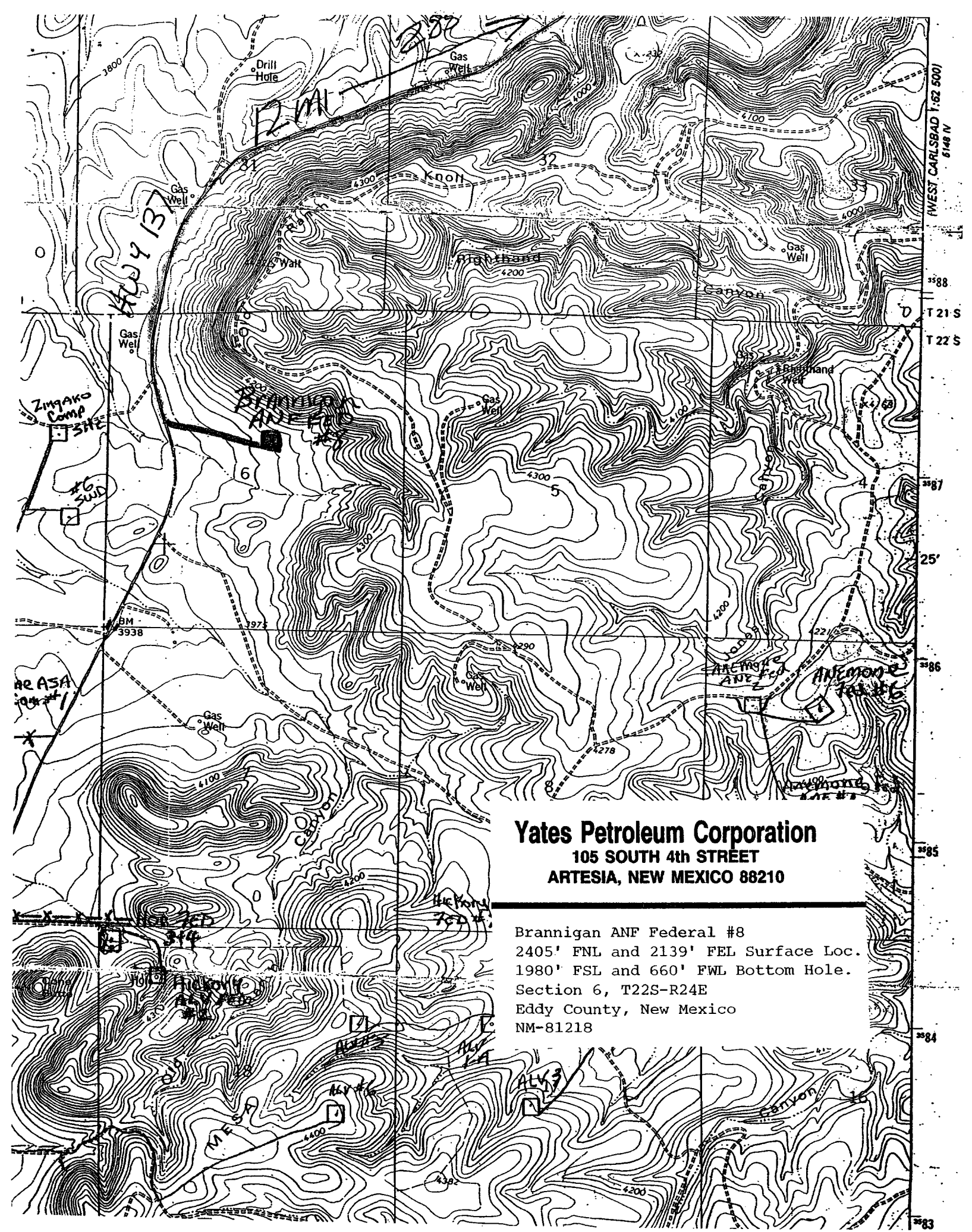
The mud system will be designed to minimize or eliminate the escape of H₂S at the rig floor. This will be accomplished through the use of proper mud weight, proper ph control of the drilling fluid and the use of H₂S scavengers in the drilling fluid. A mud gas separator will be utilized when H₂S has is present in the mud.

Drilling experience has shown that wells in developmental areas, (i.e. Dagger Draw, Livingston Ridge Delaware, and Lusk Delaware) are normally pressured and don't experience either H₂S kicks or loss of returns. Due to these circumstances, we request exceptions to the rule requiring flare line with remote lighter and choke manifold with minimum of one remote choke. This equipment would be provided on exploratory wells or wells with the known potential for H₂S kicks. Additionally, a SO₂ monitor would be positioned near the flare line, and a rotating head utilized.

The drill string, casing, tubing, wellhead, blowout preventers and associated lines and valves will be suitable for anticipated H₂S encounters.

Radio and or mobile telephone communication will be available on site. Mobile telephone communication will be available in company vehicles.

Drill stem testing to be performed with a minimum number of essential people on location. They will be those necessary to safely conduct the test. If H₂S is encountered during a drill stem test, essential personnel will mask up and determine H₂S concentration. The recovery will then be reversed to flare pit. Pulling of test tools will be conducted in a safe manner.

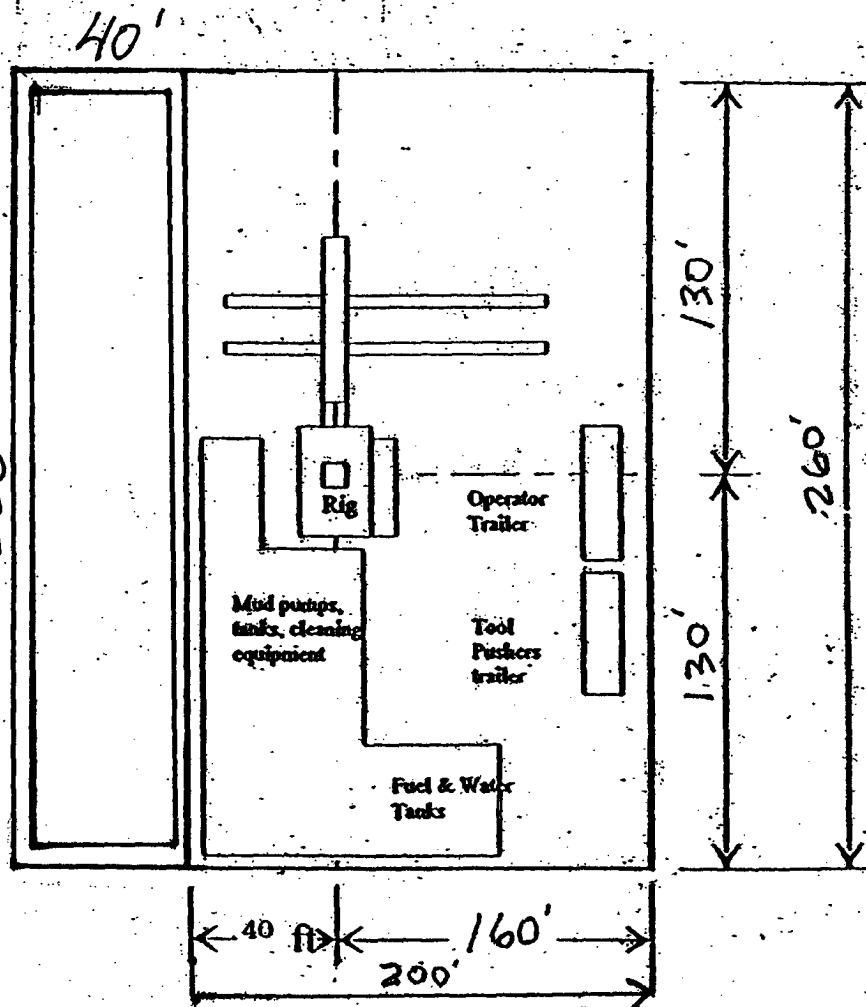


PB - L1

Yates Petroleum Corporation
Location Layout for Permian Basin
Up to 12,000'

Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Brannigan ANF Federal #8
2405' FNL and 2139' FEL Surface Loc.
1980' FSL and 660' FWL Bottom Hole.
Section 6, T22S-R24E
Eddy County, New Mexico
NM-81218



Distance from Well
Head to Reserve Pit
will vary between rigs

The above dimension
should be a maximum

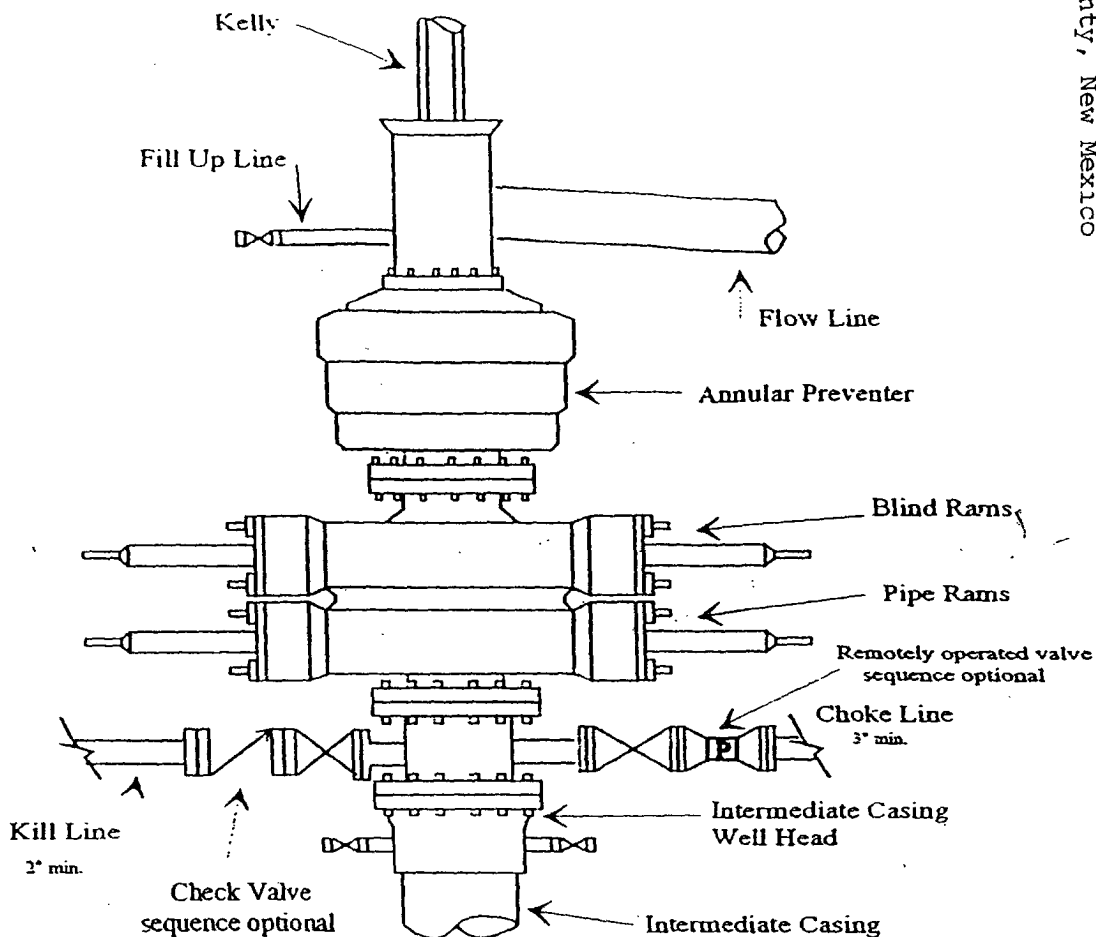


Yates Petroleum Corporation

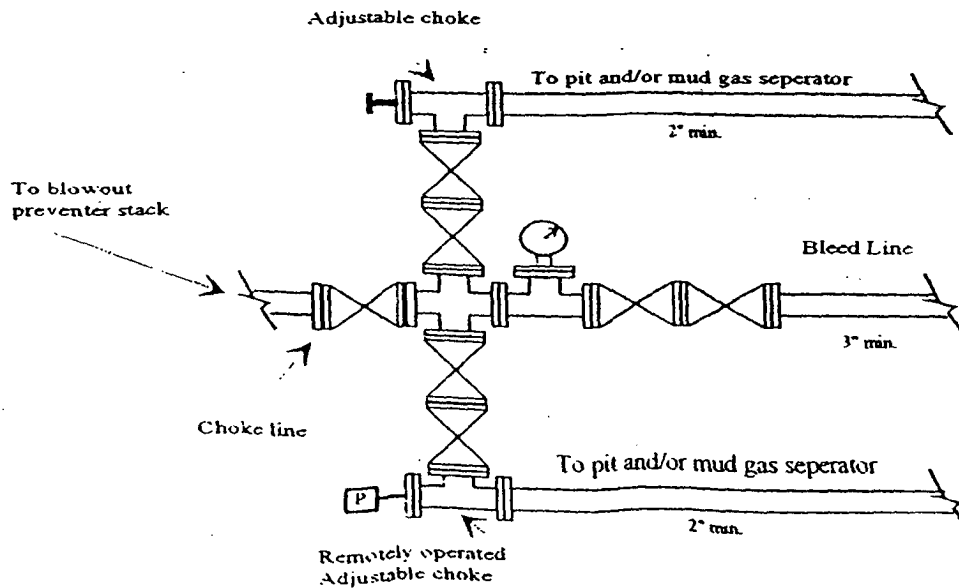
BOP-4

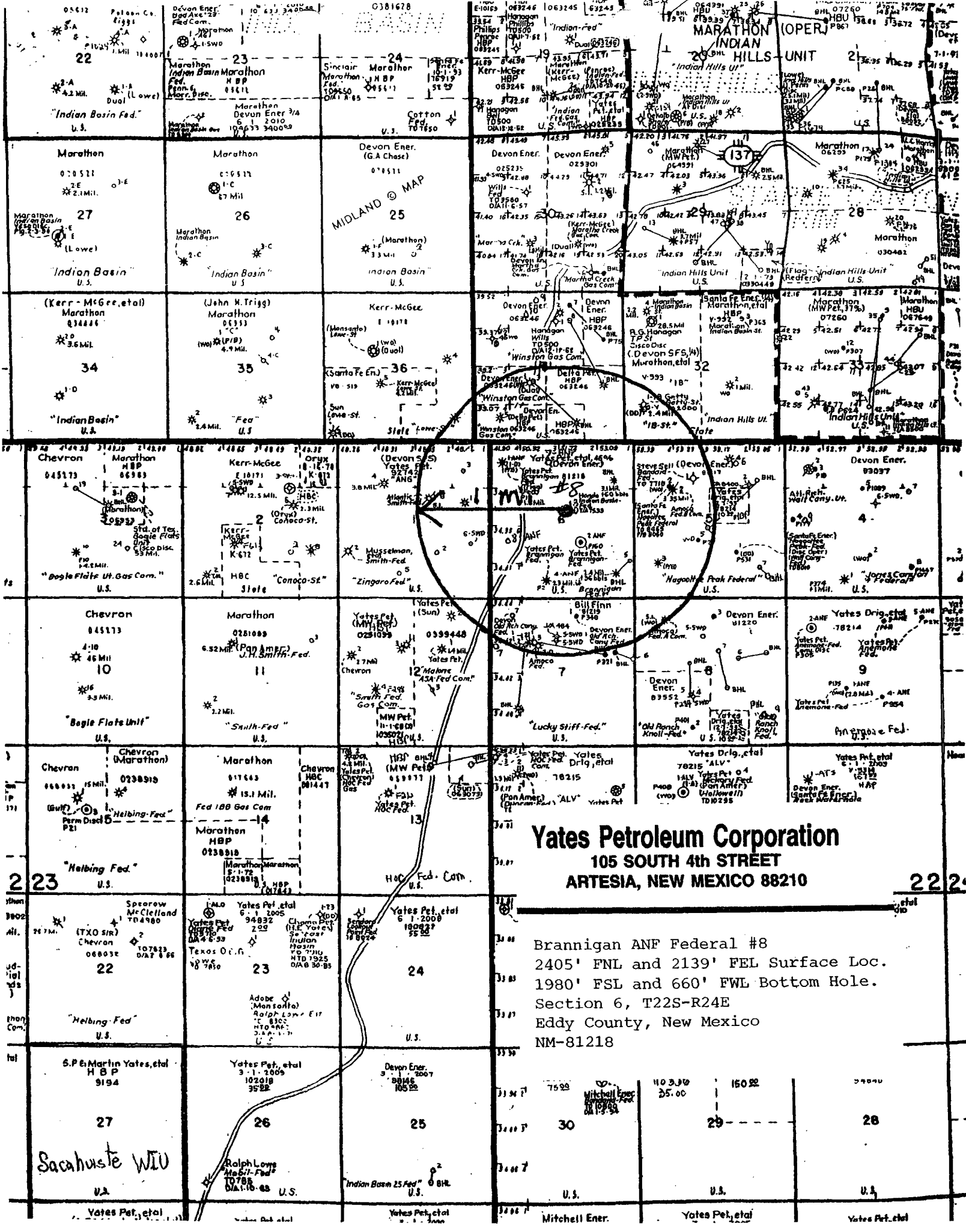
Typical 5,000 psi Pressure System
Schematic
Annular with Double Ram Preventer Stack

Brannigan ANF Federal #8
2405' FNL and 2139' FEL Surface Loc.
1980' FSL and 660' FWL Bottom Hole.
Section 6, T22S-R24E
Eddy County, New Mexico
NM-81218



Typical 5,000 psi choke manifold assembly with at least these minimum features





Yates Petroleum Corporation
105 SOUTH 4th STREET
ARTESIA, NEW MEXICO 88210

Brannigan ANF Federal #8
2405' FNL and 2139' FEL Surface Loc.
1980' FSL and 660' FWL Bottom Hole.
Section 6, T22S-R24E
Eddy County, New Mexico
NM-81218