Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
NMNM0557142

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
NDDUP UNIT 52

2. Name of Operator
YATES PETROLEUM CORPORATION
Contact: TINA HUERTA
E-Mail: tinah@yatespetroleum.com

9. API Well No.
30-015-25903

3a. Address
105 SOUTH FOURTH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)
Ph: 575-748-4168
Fx: 575-748-4585

10. Field and Pool, or Exploratory
N.SEVEN RIVERS;GLOR-YESO

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 20 T19S R25E NWNW 660FNL 660FWL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☒ Plug Back	☐ 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 recomplete 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 plans to plugback and recomplete this well as follows:

1. MIRU all safety equipment as needed. NU BOP. POOH with existing production equipment.
2. Run GR/JB to 7717 ft. Set a CIBP at 7712 ft with 35 ft cement on top. This will place a plug over open Canyon perforations.
3. Load hole with plugging mud then spot a 35 sx Class C cement plug from 5331 ft - 5531 ft. This will leave a plug across Wolfcamp top and stage tool. WOC and tag; reset if necessary. Set a 25 sx cement plug from 3481 ft - 3621 ft across Bone Spring top. WOC and pressure test casing to 3481 psi.
4. Perforate Yeso 2400 ft - 2440 ft (41).
5. Acidize with 1500g 20 percent gelled Iron Control HCL with caionic surfactant package. Flush to bottom perf with 2 percent KCL water. Drop 60 ball sealers spaced out evenly throughout the

RECEIVED
APR 19 2013
NMOCD ARTESIA

SEE ATTACHED FOR CONDITIONS OF APPROVAL

LRDade 4/24/13
~~Accepted for record~~
NMOCD

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

Electronic Submission #202436 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 03/27/2013 ()

Name *(Printed/Typed)* TINA HUERTA — Title REG REPORTING SUPERVISOR

Signature (Electronic Submission) — Date 03/25/2013

APPROVED
APR 17 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date

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

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Provide C102 to NMOCD

Additional data for EC transaction #202436 that would not fit on the form

32. Additional remarks, continued

acid. Swab test and evaluate.
6. Fracture treat as attached.
7. Flow well back and allow to clean up. TIH with a bit to wash sand down to PBTD.
8. TIH with TAC and tubing, swab well until it cleans up. TIH with pumping equipment and turn well over to production.

Wellbore schematics attached.

Treating Schedule

Sta. #	Fluid	Stg. Type	Cln. Vol. (gals)	Rate (bpm)	Proppant	Conc. (lb/gal)	Stage Prop. (lbs)	Cum. Prop. (lbs)
1	Slick Water	Prepad	100	20		0.0	0	0
2	15% HCL	Acid	2,000	30		0.0	0	0
3	Slick Water	Prepad	2,000	75		0.0	0	0
4	Slick Water	Pad	56,000	75		0.0	0	0
5	Slick Water	Slurry	4,500	75	100 Mesh	0.2	900	900
6	Slick Water	Sweep	4,500	75		0.0	0	900
7	Slick Water	Slurry	4,500	75	100 Mesh	0.3	1,350	2,250
8	Slick Water	Sweep	4,500	75		0.0	0	2,250
9	Slick Water	Slurry	4,500	75	100 Mesh	0.4	1,800	4,050
10	Slick Water	Sweep	4,500	75		0.0	0	4,050
11	Slick Water	Slurry	4,500	75	100 Mesh	0.5	2,250	6,300
12	Slick Water	Sweep	4,500	75		0.0	0	6,300
13	Slick Water	Slurry	4,500	75	100 Mesh	0.6	2,700	9,000
14	Slick Water	Sweep	4,500	75		0.0	0	9,000
15	Slick Water	Slurry	4,500	75	100 Mesh	0.7	3,150	12,150
16	Slick Water	Sweep	4,500	75		0.0	0	12,150
17	Slick Water	Slurry	4,500	75	100 Mesh	0.8	3,600	15,750
18	Slick Water	Sweep	4,500	75		0.0	0	15,750
19	Slick Water	Slurry	4,500	75	100 Mesh	0.9	4,050	19,800
20	Slick Water	Sweep	4,500	75		0.0	0	19,800
21	Slick Water	Slurry	4,500	75	100 Mesh	1.0	4,500	24,300
22	Slick Water	Pad	10,700	75		0.0	0	24,300
23	Slick Water	Slurry	20,000	75	40/70 Brady	0.2	4,000	28,300
24	Slick Water	Sweep	6,000	75		0.0	0	28,300
25	Slick Water	Slurry	20,000	75	40/70 Brady	0.3	6,000	34,300
26	Slick Water	Sweep	6,000	75		0.0	0	34,300
27	Slick Water	Slurry	20,000	75	40/70 Brady	0.4	8,000	42,300
28	Slick Water	Sweep	6,000	75		0.0	0	42,300
29	Slick Water	Slurry	20,000	75	40/70 Brady	0.5	10,000	52,300
30	Slick Water	Sweep	6,000	75		0.0	0	52,300
31	Slick Water	Slurry	20,000	75	40/70 Brady	0.6	12,000	64,300
32	Slick Water	Sweep	6,000	75		0.0	0	64,300
33	Slick Water	Slurry	20,000	75	40/70 Brady	0.7	14,000	78,300

34	Slick Water	Sweep	6,000	75		0.0	0	78,300
35	Slick Water	Slurry	20,000	75	40/70 Brady	0.8	16,000	94,300
36	Slick Water	Sweep	6,000	75		0.0	0	94,300
37	Slick Water	Slurry	23,000	75	40/70 Brady	0.9	20,700	115,000
38	Slick Water	Sweep	6,000	75		0.0	0	115,000
39	Slick Water	Slurry	24,000	75	40/70 Brady	1.0	24,000	139,000
40	Slick Water	Pad	17,000	75		0.0	0	139,000
41	Slick Water	Slurry	17,000	75	16/30 Brady	1.0	17,000	156,000
42	Slick Water	Slurry	24,000	75	16/30 Brady	2.0	48,000	204,000
43	Slick Water	Slurry	32,000	75	16/30 Brady	3.0	96,000	300,000
44	Slick Water	Flush	3,900	75		0.0	0	300,000
	Totals						300,000	

WELL NAME: NDDUP Unit #52 **FIELD:** Dagger Draw

LOCATION: 660' FNL & 660' FWL of Section 20-19S-25E Eddy Co., NM

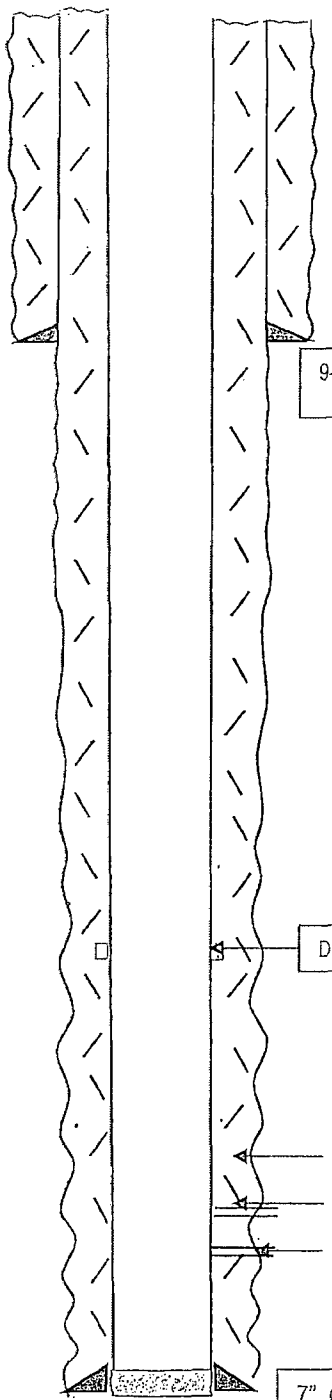
GL: 3,581' **ZERO:** 14 **KB:** 3,595

SPUD DATE: 1/14/89 **COMPLETION DATE:** 3/13/89

COMMENTS: API No.: 30-015-25903
(Formerly Ross EG Fed #3)

CASING PROGRAM

9-5/8" 36# J-55	1,210'
7# 26# J-55 (807')	
7# 23# J-55 (4,847')	
7# 26# J-55 (1,853')	
7# 26# N-80 (573')	8,080'



14-3/4" Hole

9-5/8" @ 1,210' w/850 sx (Circ)

8-3/4" Hole

DV tool @ 5,401'

Canyon Perfs: 7,762-7,822'

Canyon Perfs: 7,835-7915';

Canyon Perfs: 7,941-58'

TD: 8,080'

7" @ 8,080' w/820 sx
1st Stage: 700 sx (Circ)
2nd Stage: 100 sx (Circ)

Before

TOPS

SA	770'
Glorieta	2,158'
BS	3,571'
WC Lm	5,481'
U Penn Lm	7,619'
U. Penn Dol	7,760'

Not to Scale
11/5/10
DC/Hill

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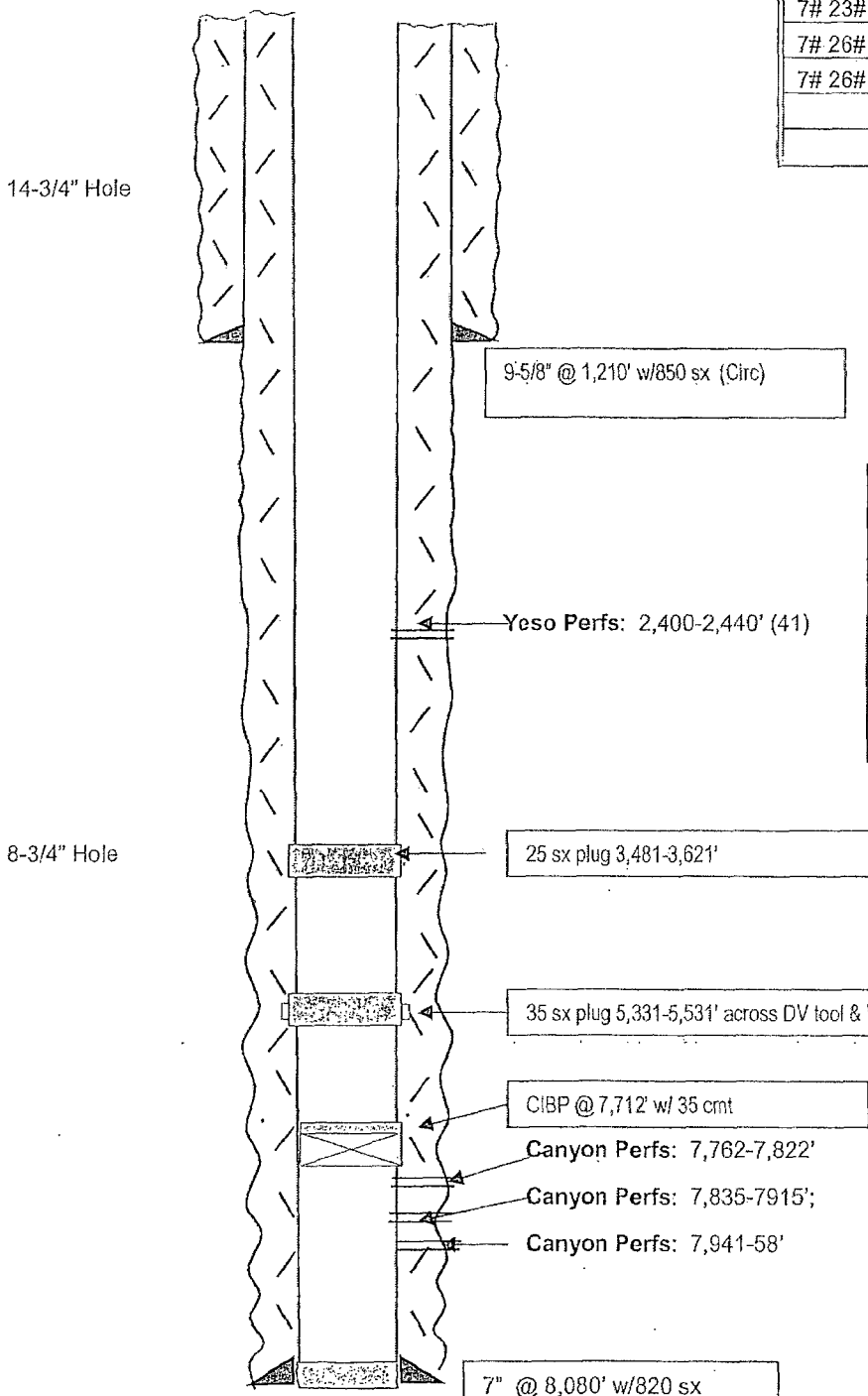

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Not to Scale
11/11/10
DC/Hill

NDDUP Unit 52
30-015-25903
Yates Petroleum Corporation
April 17, 2013
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by July 17, 2013.

1. **The operator shall tag CIBP at 7712'. Dump bail 35' of neat class H cement on top. Tag required.**

2. **Operator shall place a balanced cement plug from 5531'-5331' to seal off the Wolfcamp formation and DV tool. Tag required.**

3. **Operator shall place a balanced cement plug from 3621'-3481' to seal off the Bone Spring formation.**

4. **Must conduct a casing integrity test before frac and submit results to BLM.**

5. **A CIT is to be performed on the production casing per Onshore Oil and Gas Order 2.III.B.1.h after the plug is set across the Bone Spring formation.**

6. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.

7. Surface disturbance beyond the originally approved pad must have prior approval.

8. Closed loop system required.

9. All waste (i.e. drilling fluids, 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. Operator to have H2S monitoring equipment on location.

11. A minimum of a 3000 (3M) BOP to 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.

12. **Subsequent sundry required detailing work done and completion report for the new formation. Operator to include well bore schematic of current well condition when work is complete.**

JAM 041713