

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.*5. Lease Serial No.  
NMNM62211

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.  
HANAGAN APL FED COM 3H

2. Name of Operator

YATES PETROLEUM CORPORATION

Contact: LAURA WATTS

E-Mail: laura@yatespetroleum.com

9. API Well No.  
30-015-39801-00-S1

3a. Address

105 SOUTH FOURTH STREET  
ARTESIA, NM 88210

3b. Phone No. (include area code)

Ph: 575-748-4272

Fx: 575-748-4585

10. Field and Pool, or Exploratory  
PARKWAY

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

Sec 31 T19S R30E SWSW 660FSL 180FWL

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 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 Drilling Operations
	<input 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 recompleate 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 recompleation 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.)

1/2/14 - Moved in rathole service and spudded well with rathole at 10:30 am. Hole size 36 inch.

Set 80 ft of 30 inch conductor and cemented with 10 yards of redi mix. Notified Cheryl de

Montigney with Carlsbad BLM of intent to spud. Waiting on rotary tools.

1/9/14 - Resumed drilling with rotary tools at 7:00 pm.

1/10-14/14 - Set 20 inch 106.5 lb J-55 BT&C casing at 275 ft. Cemented with 585 sacks 50/50 Poz C + 2 lb/sx B288 + 2 lb/sx B289 + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 (yld 1.40, wt 14.8). Cement did not circulate. WOC. Tagged cement at 227 ft. Pumped stage 1 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 199 ft. Stage 2 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 190 ft. Stage 3 with 57 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 166 ft. Stage 4 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 5 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 6 with 134 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
JUN 30 2014  
RECEIVED

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

Electronic Submission #235038 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by MEIGHAN SALAS on 05/01/2014 (14MMS0065SE)

Name (Printed/Typed) LAURA WATTS

Title REG REPORTING TECHNICIAN *CRS 7-2-14*

Signature (Electronic Submission)

Date 02/10/2014

*Accepted for record*  
NM OOD

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**JAMES A AMOS  
Title SUPERVISOR EPS

Date 06/22/2014

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 #235038 that would not fit on the form**

**32. Additional remarks, continued**

cement at 134 ft. Stage 7 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 8 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 134 ft. Stage 9 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 130 ft. Stage 10 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 128 ft. Stage 11 with 50 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 128 ft. Stage 12 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 126 ft. Stage 13 with 25 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 14 with 15 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Increased Calcium Chlorides content to 3 percent. Tagged cement at 124 ft. Stage 15 with 15 sacks 50/50 Poz C (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 16 with 15 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Stage 17 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 125 ft. Contacted BLM-Carlsbad in reference to pumping redi-mix with pea gravel, was declined were instructed to continue using the current method. Stage 18 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC.  
CONTINUED ON ATTACHED SHEET

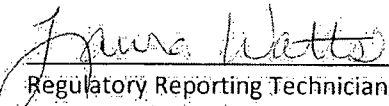
Form 3160-5 continued:

Tagged cement at 124 ft. Stage 19 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Stage 20 with 25 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Witnessed by BLM rep Jim Hughes. Tagged cement at 124 ft. Stage 21 with 35 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Stage 22 with 35 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Witnessed by BLM rep Jim Hughes. This is the 3<sup>rd</sup> tag with no increase in column height. Stage 23 with 35 sacks 50/50 Poz C + 3.5 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 124 ft. Witnessed by BLM rep Jim Hughes. This is the 4<sup>th</sup> tag with no increase in column height. Request to pump redi-mix pea gravel was approved. Cut window in 20 inch conductor. Poured 194, 5-gallon buckets of 3/8 inch pea gravel into conductor window while 1 inch pipe is constantly being reciprocated to check for fill and aiding in distribution of pea gravel. 10 ft of column height to 113 ft above existing to off at 123 ft was achieved after 194 buckets of gravel was placed. Waited 15 mins to see if pea gravel had sloughed in but the top of pea gravel remained constant at 113 ft. Pumped stage 24 with 25 sacks 50/50 Poz C + 3.5 percent Calcium Chloride (yld 1.40, wt 14.8). WOC. Tagged cement at 75 ft firm — hard. Stage 25 with 100 sacks 50/50 Poz C + 4 percent Calcium Chloride (yld 1.40, wt 14.8). Note: Cement was brought to surface. BLM rep Jim Hughes was not on location to witness job. WOC 4 hours.

1/15/14 — Spoke with Jim Hughes of the Carlsbad BLM and discussed test time to ensure that we are not in violation of any standing BLM rules. Tested 20 inch surface casing to 600 psi for 30 mins, good test. WOC 126 hours. Reduced hole to 17-1/2 inch and resumed drilling.

1/18/14 — TD 17-1/2 inch hole at 1,688 ft. Set 13-3/8 inch 48 lb and 54.5 lb H-40; J-55 ST&C casing to 1,688 ft. Cemented with 610 sacks of 35:65:6 Poz C + 0.125 lb/sx D130 + 0.2 percent D46 + 5.0 lb/sx D42 + 0.01 lb/sx D177 (yld 2.23, wt 12.80). Tailed in with 360 sacks 35:65:6 Poz C + 2.0 lb/sx B288 + 2.0 lb/sx B289 + 0.3 percent D112 + 0.125 lb/sx D130 + 5.0 percent D44 + 0.2 percent D46 + 5.0 percent D020 + 5.0 lb/sx D42 (yld 1.35, wt 14.80). Displaced with 258 bbls of fresh water. Circulated 75 sacks to pit. Tested casing to 1500 psi, good. WOC 35 hours 30 mins. Reduced hole to 12-1/4 inch and resumed drilling.

1/23/14 — TD 12-1/4 inch hole at 3,511 ft. Set 9-5/8 inch 36 lb J-55 LT&C casing at 3,511 ft. Openhole isolation packer set at 1,844 ft. Cemented stage 1 with 210 sacks 35:65:6 Poz C + 2 lb/sx B288 + 2 percent B289 + 0.1 percent D013 + 5 lb/sx D042 + 5 percent D044 + 75 lb/sx D049 + 0.125 lb/sx D130 + 0.2 percent D46 + 2 percent D020 (yld 2.06, wt 12.0). Tailed in with 300 sacks 35:65:6 Poz C + 0.125 lb/sx D130 + 42 lb/sx D135 + 5 percent D44 + 0.2 percent D46 + 5 lb/sx D42 + 0.02 percent D208 (yld 1.38, wt 14.2). Circulated 82 sacks to pit. Cemented stage 2 with 190 sacks 35:65:6 Poz H + 5 percent D020 + 0.3 percent D042 + 5 percent D044 + 0.2 percent D046 + 0.3 percent D112 + 0.125 percent D130 + 94 lb D903 (yld 2.15, wt 12.0) and 100 sacks 35:65:6 Poz C (yld 2.15, wt 12.8). Tailed in with 100 sacks 35:65:6 Poz C + 94 lb/sx D903 + 3 lb/sx D042 + 0.2 percent D046 + 0.125 lb/sx D130 (yld 1.34, wt 14.2). Circulated 22 sacks to pit. Tested casing to 1500 psi, good. WOC 39 hours 5 mins. Reduced hole to 8-3/4 inch and resumed drilling.

  
Regulatory Reporting Technician  
February 10, 2014