

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.*NM OIL CONSERVATION
ARTESIA DISTRICT
OCT 08 2014
RECEIVEDFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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. NMNM78214
2. Name of Operator YATES PETROLEUM CORPORATION Contact: TINA HUERTA E-Mail: tinah@yatespetroleum.com		6. If Indian, Allottee or Tribe Name
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 9 T22S R24E NENW 1232FNL 1980FWL		8. Well Name and No. ANEMONE ANE FEDERAL 6
		9. API Well No. 30-015-33043-00-S1
		10. Field and Pool, or Exploratory INDIAN BASIN-UPPER PENN ASSOC
		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 plugback and recompleat this well as follows:

1. MIRU any safety equipment as needed. NU BOP.
2. POOH with existing production equipment. **30 SX**
3. Set a CIBP at 8030 ft and cap it with **25 SX** cement. Pressure test casing to 3000 psi and chart it for 30 min.
4. Perforate Bone Spring 7198 ft - 7396 ft (81).
5. TIH with 2.875 inch tubing and packer. Set the packer with O/O tool at 6948 ft. Acidize with 3000g Iron Control 7-1/2 percent HCL. Pump the acid at 6-8 BPM while limiting surface treating pressure to 4000 psi. Load the annulus and monitor during the job. Drop 150 ball sealers spaced evenly throughout the acid. Flush to bottom perf with 3 percent KCL water with a nonionic surfactant. Swab test and evaluate, if the decision is made to frac, set a blanking plug in the

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Accepted for record

NMOC

APPROVED

SEP 4 2014

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICEProvide CIO2
to OGD

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

Electronic Submission #257965 verified by the BLM Well Information System
For YATES PETROLEUM CORPORATION, sent to the Carlsbad
Committed to AFMSS for processing by DUNCAN WHITLOCK on 09/02/2014 (14DW0237SE)

Name (Printed/Typed) TINA HUERTA	Title REG REPORTING SUPERVISOR
Signature (Electronic Submission)	Date 08/21/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By EDWARD FERNANDEZ	Title PETROLEUM ENGINEER	Date 09/04/2014
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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 ******SEE ATTACHED FOR
CONDITIONS OF APPROVAL****SUBJECT TO LIKE
APPROVAL BY STATE**

Additional data for EC transaction #257965 that would not fit on the form

32. Additional remarks, continued

O/O tool and POOH with tubing. RIH with 3.5 inch P-110 frac string and jay onto packer. Pull the blanking plug. RU WIT and WSC to fracture via the 3.5-inch tubing. (Treating schedule attached)

6. Shut the well in for 8 hrs to allow gel to break and resin to cure. Flow well back if it will flow. POOH with tubing and rods. TIH with notched blade bit and 2-7/8 inch tubing to 7478 ft, to ensure there is no sand across perforated interval.

7. TIH with TAC and 2-7/8 inch tubing. Swab well until it cleans up then TIH with pump and rods. Turn well to production department.

Schematics attached

Treating Schedule

Stage Number	gal	Prop Conc lb/gal	lbs Proppant		Proppant Type
			Stage	Cumulative	
1	40000.	0.00	0.	0.	----
2	30000.	1.00	30000.	30000.	20/40 Ottawa
3	30000.	2.00	60000.	90000.	20/40 Ottawa
4	20000.	3.00	60000.	150000.	20/40 Ottawa
5	10000.	4.00	40000.	190000.	20/40 Ottawa
6	12500.	4.00	50000.	240000.	20/40 Super LC
7	+/- 3000.	0.00	0.	0.	----

Estimated Surface Treating Pressure @ 40 BPM = 5,800 psig.

Maximum allowable pressure is 10,000 psig.

Fluid Specifications: A 25# Borate Cross linked Guar gel, with a nonionic surfactant package, 1 gpt migrating clay control additive. Design breakers for 50% retained viscosity for 2 hours with a complete break in 4 hours. Use encapsulated enzyme breaker and liquid enzyme breaker to achieve a 4-hour break. Test the fluid with and without the Resin Activator. The liquid breaker must be pumped into the down hole side of the blender so that when the tub is bypassed breaker will still be going into the system. When the sand starts to fall off go to bypass and flush. Under flush the well 2-3 bbl short of the top perf.

YPC to furnish: 7 clean frac tanks with 480 BBL of 3% KCL water in each.

WELL NAME: Anemone ANE Federal No. 6

FIELD: Indian Basin Penn

LOCATION: 1,232' FNL & 1,980' FWL

Sec 9-22S-24E

Eddy Co. NM

GL: 4,195'

ZERO:

KB:

4,212'

SPUD DATE: 11-03-04

COMPLETION DATE:

01-20-05

COMMENTS: API No. 30-015-33043

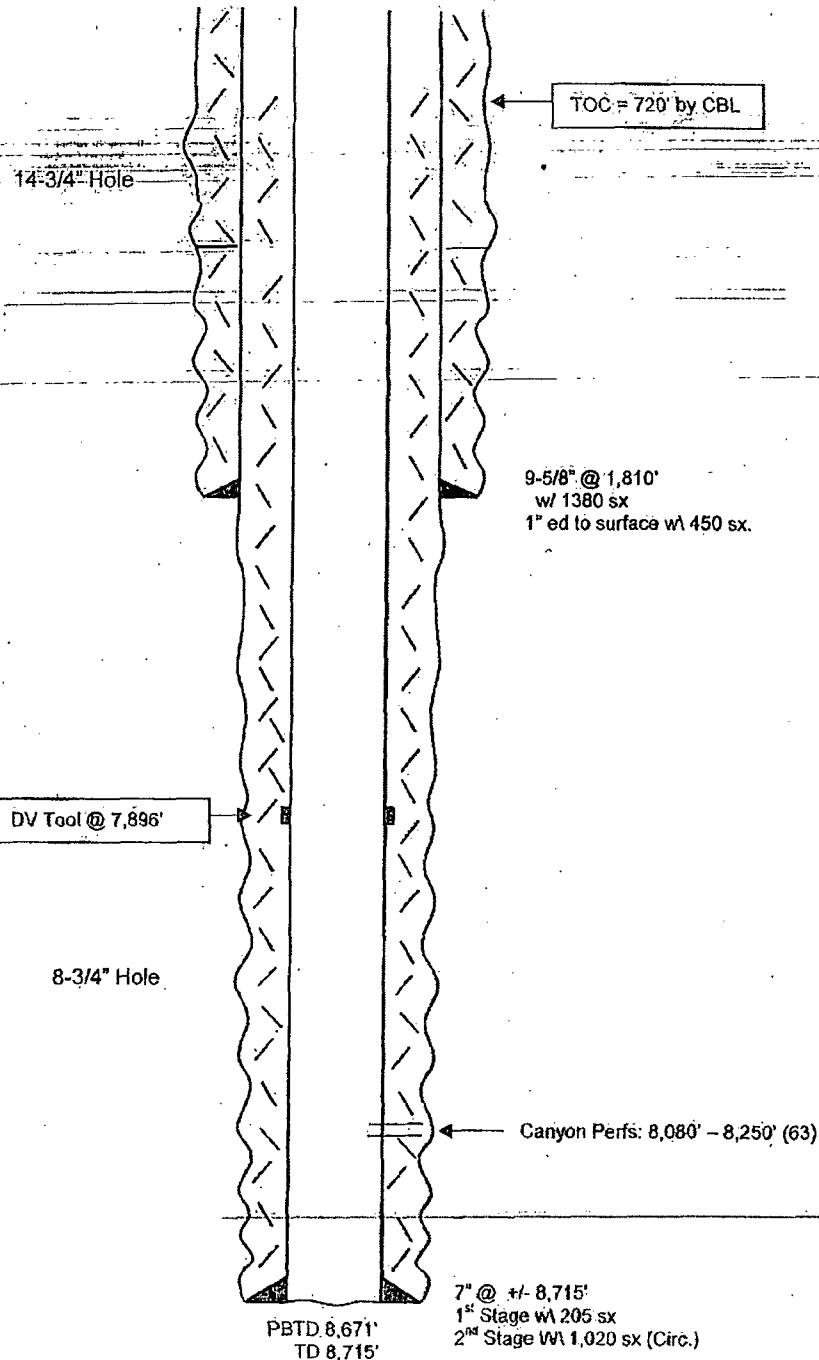
CASING PROGRAM

9-5/8" 32# J55	1,810'
7" 26# L-80 LT&C	3,962'
7" 26# J-55 LT&C	3,480'
7" 26# L-80 LT&C	1,271' 8,715'

Before

Tops:

Bone Spring 1,936'
Wolfcamp 7,424'
Upper Penn 8,055'



Not To Scale

05/28/14
JMH

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Bone Spring 1,936'
Wolfcamp 7,424'
Upper Penn 8,055'

TOC = 720' by CBL

9-5/8" @ 1,810'
w/ 1380 sx
1" ed to surface w/ 450 sx.

DV Tool @ 7,896'

8-3/4" Hole

BS Perfs: 7,198'-7,202' (5), 7,220'-7,244' (25), 7,264'-7,270' (7),
7,274'-7,280' (7), 7,352'-7,374' (23), 7,380'-7,388' (9), 7,392'-7,396' (5)

CIBP @ 8,030' w/ 25 sx cap

Canyon Perfs: 8,080' - 8,250' (63)

PBTD 8,671'
TD 8,715'

7" @ +/- 8,715'
1st Stage w/ 205 sx
2nd Stage w/ 1,020 sx (Circ.)

Not To Scale

05/28/14
JMH

Bone Springs

Conditions of Approval
Yates Petroleum Corporation
Anemone ANE – Federal #6
API 3001533043, T22S-R24E, Sec 09
September 03, 2014

NOTE: Top of Wolfcamp plug will be required from 7555' to 7374' before leaving the or plugging back the Bone Spring perfs from 7198 ft to 7396 ft.

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 #3 operator to cap with 30 sacks and must tag at 7846 feet or shallower**
7. Functional H₂S 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 090314