

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION

ARTESIA DISTRICT

OCDEA 1052014/

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

RECEIVED

1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			5. Lease Serial No. NMNM85909		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			6. If Indian, Allottee or Tribe Name		
2. Name of Operator YATES PETROLEUM CORPORATION			7. Unit or CA Agreement Name and No.		
Contact: LAURA WATTS Mail: laura@yatespetroleum.com			8. Lease Name and Well No. FOCUS BDB FEDERAL 1H		
3. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210			9. API Well No. 30-015-39421		
3a. Phone No. (include area code) Ph: 575-748-4272			10. Field and Pool, or Exploratory PARKWAY; BONE SPRING		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NWNW 560FNL 330FWL At top prod interval reported below NWNW 560FNL 330FWL At total depth NENE 653FNL 269FEL			11. Sec., T., R., M., or Block and Survey or Area Sec 31 T19S R30E Mer		
14. Date Spudded 04/28/2014			15. Date T.D. Reached 05/30/2014		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 08/13/2014			17. Elevations (DF, KB, RT, GL)* 3332 GL		
18. Total Depth: MD 12771 TVD 8404			19. Plug Back T.D.: MD 12723 TVD		
20. Depth Bridge Plug Set: MD TVD			21. Type Electric & Other Mechanical Logs Run (Submit copy of each) CNL, HI-RES LATEROLOG ARRAY, CBL		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit analysis)					

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
36.000	30.000		0	150		6		0	
26.000	20.000 H-40	94.0	0	330		905		0	
17.500	13.375 J-55	54.5	0	1418		1040		0	
12.250	9.625 J-55	36.0	0	3510		1420		0	
8.500	5.500 P-110	17.0	0	12771		1935		93	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	7776							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRING	8573	12710	8573 TO 12615		396	PRODUCING
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8573 TO 12710	ACIDIZED WITH 50,000 GALS 15 PERCENT HCL ACID, FRAC WITH A TOTAL OF 4,421,026 LBS 16/30 RCS AND
8573 TO 12710	20/40 WHITE SAND.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity
08/14/2014	09/08/2014	24	→	543.0	256.0	878.0		
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
25/64	SI	200.0	→	543	256	878		PDW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity
			→					
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
	SI		→					

ACCEPTED FOR RECORD

PRODUCTION METHOD
ELECTRIC PUMP SUB-SURFACE

NOV 25 2014

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #261917 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

DUE 3/8/15

[Handwritten signature]

District I

1625 N. French Dr., Hobbs, NM 88240 ARTESIA DISTRICT

District II

811 S. First St., Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

NM OIL CONSERVATION

MAR 28 2016

RECEIVED

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Yates Petroleum Corporation,
whose address is 105 S. Fourth Street, Artesia, NM 88210,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
June 29, Yr 2016, for the following described tank battery (or LACT):
Name of Lease Zia AHZ Federal Com #2H Name of Pool Bone Spring
Location of Battery: Unit Letter C Section 13 Township 20S Range 29E
Number of wells producing into battery 1 well, API #30-015-40404
- B. Based upon oil production of 31 barrels per day, the estimated * volume
of gas to be flared is 84 +/- Daily MCF; Value _____ per day.
- C. Name and location of nearest gas gathering facility: _____
- D. Distance _____ Estimated cost of connection _____
- E. This exception is requested for the following reasons: Requesting permission to flare due to abnormal
system pressures in DCP lines. The possibility of flare will not be consistent; therefore, the volume above
can easily fluctuate.

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation
Division have been complied with and that the information given above
is true and complete to the best of my knowledge and belief.

Signature

Tina Huerta

Printed Name

& Title Tina Huerta, Regulatory Reporting Supervisor

E-mail Address tinah@yatespetroleum.com

Date: March 24, 2016 Telephone No: 575-748-4168

OIL CONSERVATION DIVISION

Approved Until June 29 - 2016

By

LRD

Title

Dist R Supervisor

Date

3/30/16

** See Attached COA's*

* Gas-Oil ratio test may be required to verify estimated gas volume.

**NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 SOUTH FIRST STREET
ARTESIA, NM 88210
(575)748-1283**

CONDITIONS OF APPROVAL for FLARING or VENTING GAS

1. Venting gas is absolutely not allowed.
2. Prior to flaring gas, C-129 must be filed & approved. Blanket approval cannot be given for this operation.
3. Flared volumes of gas are to be metered & reported.
4. Flares WILL be manned at all times. Brush should be cut down to 1 or 2 inches around flare stack at least a radial distance of 2 times the height of the flare stack.
5. Flares WILL NOT be left unattended.
6. No flaring operations to be conducted during red-flag days.
<http://www.gacc.nifc.gov/swcc> (go to "Predictive Services" on SWCC website) to check for red flag warnings.
7. Follow safe practices for flaring guidelines.
8. Permit may be rescinded at any time by NMOCD.
9. If well is able to be connected to a gas gathering system, it will be done so as soon as possible.
10. **Flaring of gas is prohibited.** The State Forester grants an exception to the prohibition on open fires for the flaring of natural gas when the following conditions are met. Unless flaring is needed for safety purposes, flaring pursuant to this exception shall not be done on days that are "red flag days" as determined by the National Weather Service or on days when the sustained wind is in excess of 25 miles per hour in the area.
 - 11.1. The day is not a "red flag day" as determined by the National Weather Service and the sustained wind is not in excess of 25 miles per hour in the area.
 - 12.2. The local fire department and county dispatch are notified at least 24 hours in advance of anticipated releases that will result in flaring. If flaring is done by an automated system then the schedule of flaring shall be provided to the local fire department and county dispatch. The area is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of one and one half times the height of the stack.
 - 13.3. At least one adult is on site with communications equipment adequate to reach county dispatch and the local fire department in the event of a fire. The individual should also be equipped with a shovel and a water backpack pump or other equipment to deliver water to suppress a fire
 - 14.4. If flaring is to take place at an unmanned facility, then the area around the flare stack is mowed and maintained at a length not to exceed 4 inches and all other flammable products or debris shall be cleared in the area for a distance of three times the height of the stack.

Your initials here *CD*

DATE: *3/30/14*

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

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Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David Catanach
Division Director
Oil Conservation Division



FOR IMMEDIATE RELEASE

Contact: Jim Winchester (505)231-8800 E-Mail: jim.winchester@state.nm.us

Notice to Oil and Gas Facilities and Operators Flaring Gas in New Mexico

SANTA FE, NM – The Oil Conservation Division (OCD) encourages all oil and gas facilities with flare stacks and well operators that are flaring gas to upgrade their *Fire Awareness Programs* this year. New Mexico State Forestry reports that 460 fires have burned 25,475 acres on state and private land in calendar year 2012.

Forecasts remain dismal this spring with fewer chances for normal precipitation, particularly in southwestern New Mexico and southeastern Arizona. Temperatures could also be higher than normal.

Open flames and gas flares should be monitored carefully and oil and gas operators should create a defensible space to help prevent wildfires. Defensible Space is the area around a structure where combustible vegetation that can spread fire has been cleared, reduced or replaced. This space acts as a barrier between a structure and an advancing wildfire.

During the course of the upcoming fire season, it may become necessary for New Mexico State Forestry to issue fire restriction on State and private land. Log on to www.nmforestry.com for updates or call your local district office.

New Mexico State Forestry offers the following guidelines for establishing effective defensible space:

- Create a "Lean, Clean and Green" firebreak area by removing flammable vegetation and growth within 30 feet of each structure. Single trees and shrubs may be retained if they are well spaced, pruned and placed so they avoid the spread of fire. Maintain an irrigation system for any vegetation near structures.
- Keep grass and weeds mowed.
- Prune lower tree limbs to at least 6 feet up to 15 feet (or lower 1/3 of branches on smaller trees).
- Remove vegetation and debris around propane tanks.

For the latest fire weather information please visit USDA Forest Service website:
<http://activefiremaps.fs.fed.us/current.php>

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The Energy, Minerals and Natural Resources Department provides resource protection and renewable energy resource development services to the public and other state agencies.

State of New Mexico
Energy, Minerals and Natural Resources Department

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Cabinet Secretary

Tony Delfin
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



NOTICE TO OPERATORS

The Oil Conservation Division ("OCD") has been tasked to study flaring and develop a gas capture plan by the end of the year with the ultimate goal to reduce natural gas emissions.

Current OCD reporting has no specific method to differentiate flared and vented volumes reported on C-115 reports. This prevents the OCD from having quantifiable flaring data per Rule 19.15.18.12.F NMAC.

Therefore, to collect flaring volumes and differentiate actual vented volumes going forward, NMOCD will implement a new "Non-Transported Disposition" Code (for gas) to be reported on the C-115 reports. The new code will be "F" for Flared. The new code "F" is to be used to report the volume of gas that is flared on a well basis, or total volume if flared at a common battery or gathering system and reported under one point of disposition. Operators must report vented and flared volumes separately to their respective "Non Transported Disposition" code ("V" for vented and "F" for flared).

The change will become effective for the November 2015 production month with reporting due by January 15, 2016.

The NMOCD will be conducting operator outreach training sessions in the Southeast and Northwest to provide information and answer questions regarding the process.

Meeting notices will be posted on NMOCD website at:
<http://www.emnrd.state.nm.us/OCD/announcements.html>

The C-115 instructions are available on NMOCD website at:
http://www.emnrd.state.nm.us/OCD/documents/eC115_FullInstructions.pdf