

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

OCD-ARTESIA

JUN - 2 2009

FORM APPROVED
OMB No 1004-0135
Expires November 30, 2000

RM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-117120
2. Name of Operator Yates Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 105 South Fourth Street, Artesia, NM 88210	3b. Phone No. (include area code) (575) 748-1471	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Surface: 960' FNL & 30' FEL, BHL: 990' FNL & 330 FWL, Section 8, T24S-R29E, Unit Letter (Surface A) (BHL D)		8. Well Name and No. Balsam BNL Federal Com #1H
		9. API Well No. 30-015-37035
		10. Field and Pool, or Exploratory Area Wildcat Bone Springs
		11. County or Parish, State Eddy County

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 checked="" 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 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 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 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 respectfully requests permission to alter the production casing design for this well. Offset stimulation information of the Knoll AOK Federal #2H and #3H shows that maximum pressure reached to break down the formation is approx 4000psi. We would be well above 4000psi at 80% of the burst rating for 5 1/2" 17# L-80. Attached is the proposed casing design. Cement program will remain as originally permitted.

Thank-You

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Jeremiah Mullen	Title Well Planning Technician
Signature <i>Jeremiah Mullen</i>	Date May 26, 2009
THIS SPACE FOR FEDERAL OR STATE USE	
Approved by	Title
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.	Date
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)	

APPROVED

JUN 1 2009

WESLEY W. INGRAM
PETROLEUM ENGINEER

NR

Balsam BNL Federal Com. #1H (Production casing)

		0 ft to 8,200 ft		Make up Torque ft-lbs			Total ft = 8,200
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
5.5 inches	17 #/ft	HCP-110	LT&C	4620	3470	5780	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
8,580 psi	10,640 psi	445,000 #		546,000 #		4.767	

8,200 ft to 12,474 ft		Make up Torque ft-lbs			Total ft =	4,274
O.D.	Weight	Grade	Threads	opt.	min.	mx.
5.5 inches	17 #/ft	L-80	LT&C	3410	2560	4260
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift
6,290	7,740 psi	338,000 #		397,000 #		4.767