

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. vision
311 S. 1st Street
Artesia, NM 88210-2834

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-81952
2. Name of Operator YATES PETROLEUM CORPORATION (505) 748-1471	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 South 4th St., Artesia, NM 88210	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 330' FSL & 950' FWL of Section 7-T22S-R31E (Unit M, SWSW)	8. Well Name and No. Llama ALL Federal #1
	9. API Well No. 30-015-28093
	10. Field and Pool, or Exploratory Area Wildcat Morrow
	11. County or Parish, State Eddy Co., NM

2. CHECK APPROPRIATE BOX(s) 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input type="checkbox"/> Other
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Propose to re-complete to Morrow Sands as follows:

- MIRU WSU, reverse unit, rig up all H2S safety equipment. RU BOP, ND 10K tree with 2 7/8", 2 3/8" tbg.
- Wireline set 4 1/2" cement retainer @ 12,800'. Squeeze cement Atoka perms w/50 sxs Class H 1% fluid loss additive + retarder for 3 hrs. Attempt 3,000 psi squeeze.
- WOC 24 hrs. Drill-out retainer, cement. Test liner casing to 3,000 psi. Clean-out to bottom of liner @ 14,213. Load casing w/10# brine.

LOWER MORROW

- Rig up lubricator. Perf Lower Morrow sands with 3 1/8" HSC casing guns 4 jspf in the following interval: 14,059'-14,064' (24), 14,106'-14,114' (36).
- TIH w/Uni VI packer, o/o, 2 3/8" 2 7/8" tapered tbg. string. Spot 200 gals. 10% IC HCL @ 14,114'. Set packer @ 14,010 after reversing. NU tree. Breakdown by pumping 6 bbls brine water, record 15 min. SI pressures. Swab tbg. dry before acidizing.
- Seat treesaver. Acidize w/3000 gals. 15% IC HCL w/25% of mixing water replaced w/methanol.

CONTINUED

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

Signed C. Sina Huerta Title Operations Technician Date 2/12/98

(This space for Federal or State use)
DAVID R. GLASS

Approved by PETROLEUM ENGINEER Title PETROLEUM ENGINEER Date FEB 18 1998

Conditions of approval, if any:

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Total rate 3 to 5 bpm. Energize w/1,500 scf/bbl nitrogen. Drop 100 7/8" 1.3 SG RCN ball-sealers. Flush w/2% KCL + 2,500 scf/bbl nitrogen. Watch pressures for 15 min. then flow recover load on appropriate choke.

7. Flow test as necessary. Frac treatment possible. Movement of tools contingent on flow test results. Set RBP above plugged packer if Upper Morrow is to be completed.

UPPER MORROW

8. Rig up to perf Upper Morrow using "extreme overbalance" TCP technique. Use bauxite proppant carriers. Pressure w/nitrogen to 16,440 psi bottomhole pressure. Use 10# brine cap if necessary to minimize surface nitrogen pressure. Keep annulus loaded w/103 brine. Monitor annulus during treatment. Treatment procedure attached. 13,702'-13,706' (30), 13,713'-13,715' (24), 13,732'-13,756' (150).

9. Flow test as necessary, Frac treatment possible. If fraced, TOH to remove TCP assembly.

10. Pull RBP and configure tools to pull blanking plug and produce both Morrow sections.

14. I hereby certify that the foregoing is true and correct		
Signed <u><i>Sine Huerta</i></u>	Title <u>Operations Technician</u>	Date <u>2/12/98</u>
(This space for Federal or State office use)		
Approved by <u>(ORIG SGN) DAVID R. GLASS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>FEB 18 1998</u>
Conditions of approval, if any:		