

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.

OCB Artesia

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

5. Lease Serial No.
NM 101582

6. If Indian, Allottee or Tribe Name
N/A

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

8. Well Name and No
MUCHO LUCK "BBW" FEDERAL COM 2-H

9. API Well No
30-015-39348

10. Field and Pool, or Exploratory Area
EMPIRE NW WOLFCAMP

11. County or Parish, State
Eddy, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Yates Petroleum Corporation

3a. Address
105 South Fourth Street, Artesia, NM 88210

3b. Phone No. (include area code)
(575) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**Surface: 1100' FSL & 330' FEL,
BHL: 400' FSL & 330' FWL,
Section 27, T 16S- R27E, Unit Letter (Surface P) (BHL M)**

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	

3. 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 recomplete 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 change the hole size from 7 7/8" to 8 1/2" from landing at 6470' to lateral TD at 10,440' MD. Yates is also requesting permission to run a Peak packer and ports system in the well from lateral TD at 10,440' MD back to 5300' MD in the vertical portion of the well. Tie in to the 5 1/2" 17# HCP-110 casing will be with an external casing packer and a full openir cement tool at 5300'. Original cement volumes are sufficient to bring TOC back to 1000' which is 500' into the intermediate casing set at 1550'. Yates is asking permission to set an isolation cement plug from 6200' back to 5900' and a kick off plug from 5600' back to 5200'. Ya has a concern about the consistency of a 1000' cement plug. A solid plug is needed to be able to dress off down to kick off point.

Thank-You,

Revised 11/16/11
RECEIVED
OCT 20 2011
NMOCD ARTESIA

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

Name (Printed/Typed) Terry Henderson	Title Drilling Engineer
Signature <i>Terry Henderson</i>	Date October 13, 2011

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Office		

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
OCT 13 2011
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

Walls, Christopher

From: Terry Henderson <THenderson@yatespetroleum.com>
Sent: Thursday, October 13, 2011 12:52 PM
To: Walls, Christopher
Subject: RE: Yates Petroleum Mucho Luck "BBW" Federal Com # 2-H
Attachments: Mucho Luck BBW Fed Com #2H Plugs Proposal.pdf

Chris:
The cement volumes are as follows:

Isolation Plug: 6200' - 5900'. 240 sacks of 17.5 ppg Class H cement with 0.080 gal/sk dispersant and 0.100 gal/sk retarder.

Kick Off Plug: 5600' - 5200'. 320 sacks of 17.5 ppg Class H cement with 0.080 gal/sk dispersant and 0.100 gal/sk retarder.

All volumes are calculated on 50% excess (see attachment). Chris, thank you for your patience on this, I am learning how you want things done.

Thanks,
Terry Henderson

Terry Henderson
Drilling Engineer
Yates Petroleum
(office) 575-748-4502
(cell) 575-513-8452
thenderson@yatespetroleum.com

-----Original Message-----

From: Walls, Christopher [<mailto:cwalls@blm.gov>]
Sent: Thursday, October 13, 2011 10:52 AM
To: Terry Henderson
Subject: RE: Yates Petroleum Mucho Luck "BBW" Federal Com # 2-H

Can you send me the proposed volumes for the pilot hole plugs.

Thanks,
Chris

From: Terry Henderson [<mailto:THenderson@yatespetroleum.com>]
Sent: Thursday, October 13, 2011 10:04 AM
To: Walls, Christopher
Subject: RE: Yates Petroleum Mucho Luck "BBW" Federal Com # 2-H

Chris:
Attached is the sundry for the Mucho Luck Fed Com 2-H. If you need anything else please let me know.
Thanks,
Terry Henderson

Terry Henderson