

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well ☒ Oil Well ☐ Gas Well ☐ Other		5. Lease Serial No. NMNM62211
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: NAOMI G SAIZ Mail: NSAIZ@YATESPETROLEUM.COM		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 S. 4TH ST ARTESIA NEW MEXICO, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4211	8. Well Name and No. HANAGAN APL FEDERAL COM 3H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T19S R30E SWSW 660FSL 180FWL		9. API Well No. 30-015-39801
		10. Field and Pool, or Exploratory BONE SPRINGS 2/SD/ <i>PARKWAY BS</i>
		11. County or Parish, and State EDDY COUNTY, NM

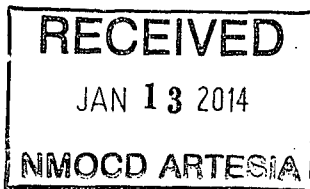
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Change to Original A
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	PD

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 respectfully requests to make the following casing and cement changes as per the attached paperwork.

Accepted for record
NMOCD



SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.		Electronic Submission #231302 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/08/2014 ()	
Name (Printed/Typed) NAOMI G SAIZ		Title WELL PLANNING TECH	
Signature (Electronic Submission)		Date 01/07/2014	APPROVED JAN 8 2014 BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
THIS SPACE FOR FEDERAL OR STATE OFFICE 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.		Office	

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.

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

Hanagan APL Federal Com #3H'

Yates Petroleum Corporation respectfully requests to change our production and 2nd intermediate casing as follows:

Well will be drilled to approx. 7921'. Well will then be kicked off at approx. 7921' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 8663' MD (8399' TVD). Hole size will then be reduced to 8 1/2" and drilled to 12,942' MD (8429' TVD) where 5 1/2" casing will be set and cemented. Penetration point of producing zone will be encountered at 660' FSL and 650' FWL, 31-19S-30E. Deepest TVD is 8429' in the lateral.

0		ft to		12,942 ft		Make up Torque ft-lbs			Total ft =		12,942		
O.D.		Weight		Grade		Threads		opt.		min.		mx.	
5.5 inches		17 #/ft		P-110		BT&C							
Collapse Resistance		Internal Yield		Joint Strength		Body Yield				Drift			
7,480 psi		10,640 psi		620 ,000 #		546 ,000 #				4.767			

DV/Packer Stage tool placed approximately at 6000'-6500' (cement volumes will be adjusted per tool placement)

Stage I: Lead w/510sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk), tail w/870sx PVL (YLD 1.83 WT 13, 9.1 gal/sk) 12,942-6500' 35% Excess

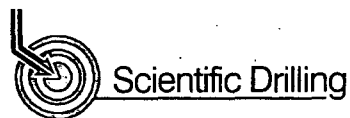
Stage II: Lead w/650sx C Lite (YLD 2 WT 12.5, 11 gal/sk) tail w/200sx Class C (YLD 1.34 WT 14.8, 6.2 gal/sk) 6500'-2200' 35% Excess TOC=2200'

2nd Intermediate: Drilled with a 12 1/4" hole to 3500' with a DV/Packer stage tool at approx. 1800'-2100'. Casing weight and grade will remain the same. Cement volumes will be adjusted per tool placement.

Stage I: Lead w/515sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/205sx 50/50 PozC (YLD 1.34 WT 13, 6.2 gal/sk) 2100'-3500' 100% excess

Stage II: Lead w/300sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/205sx 50/50 PozC (YLD 1.34 WT 14.2, 6.2 gal/sk) 2100'-0' 100% excess TOC=0'

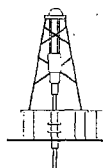
*See
COH*



Azimuths to Grid North:
True North: 0.17°
Magnetic North: 7.34°
Magnetic Field
Strength: 48597.1nT
Dip Angle: 60.44°
Date: 12/16/2013
Model: IGRF200510

To convert Magnetic North to Grid, Add 7.34°
To convert True North to Grid, Subtract 0.17°

Hanagan APL Federal Com #3H
Eddy County, NM (NAD83 NME)
Northing: (Y) 586337.128
Easting: (X) 638048.206
Plan #2



KB = 18.5 @ 3344.50usft (McVay 8)
Ground Level: 3326.00

WELL DETAILS:					
Ground Level: 3326.00					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	586337.128	638048.206	32° 36' 41.398 N	104° 1' 9.298 W

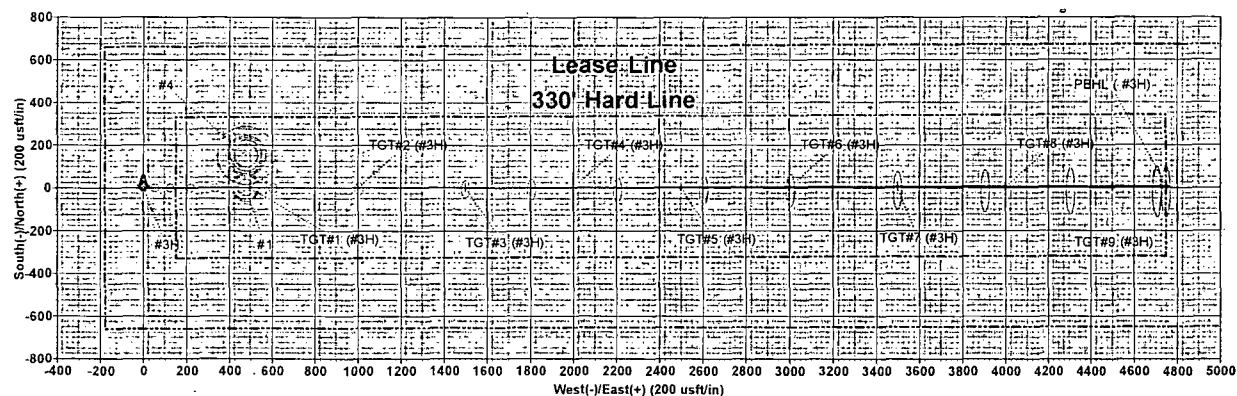
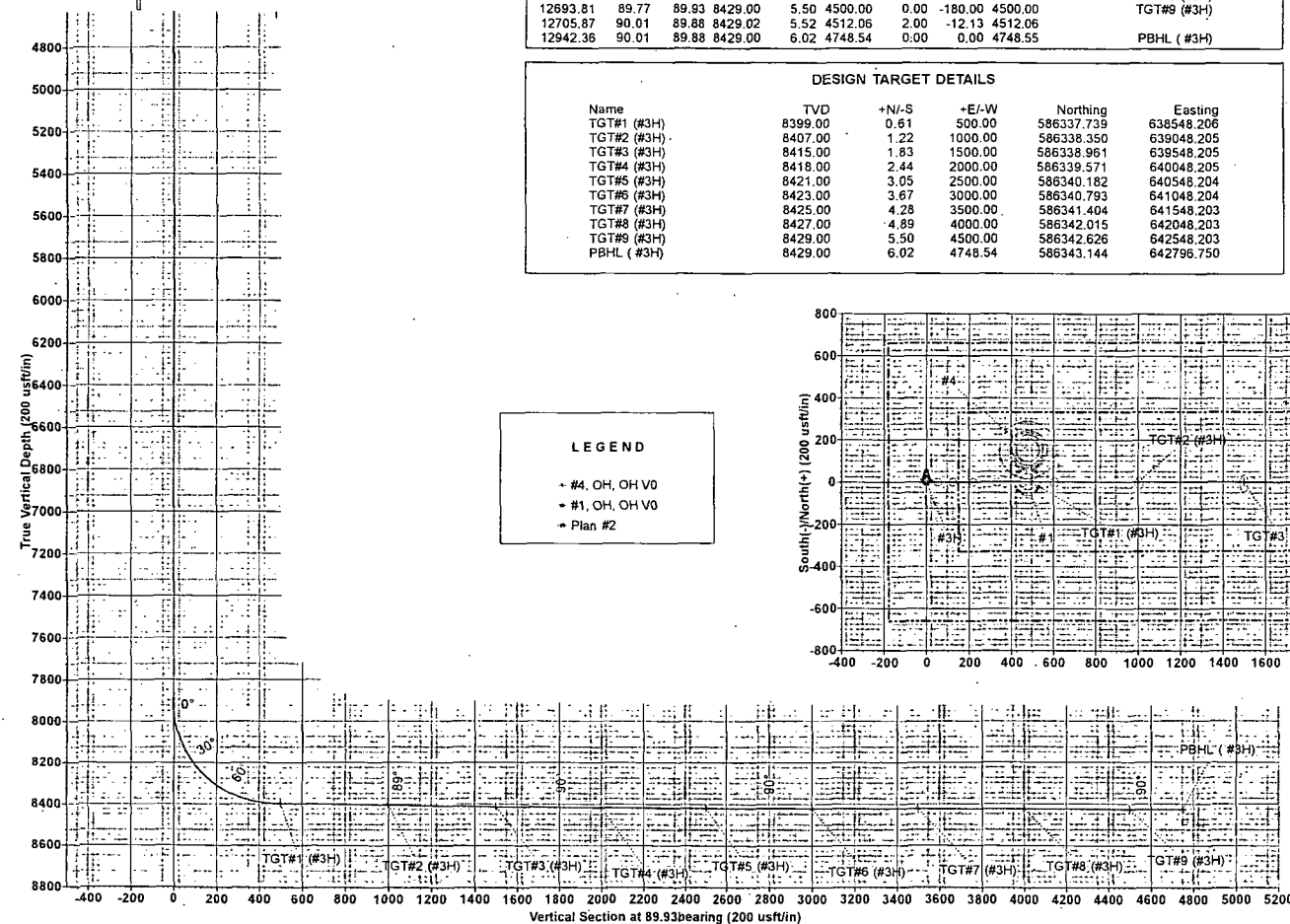
SECTION DETAILS									
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSecl	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7921.11	0.00	0.00	7921.11	0.00	0.00	0.00	0.00	0.00	
8663.42	89.08	89.93	8398.51	0.57	469.77	12.00	89.93	469.77	
8693.65	89.08	89.93	8399.00	0.61	500.00	0.00	0.00	500.00	TGT#1 (#3H)
8693.98	89.08	89.93	8399.01	0.61	500.33	2.00	0.00	500.33	
9193.71	89.08	89.93	8407.00	1.22	1000.00	0.00	0.00	1000.00	TGT#2 (#3H)
9693.78	89.08	89.93	8415.32	1.83	1500.00	0.00	0.00	1500.00	TGT#3 (#3H)
9723.29	89.67	89.93	8415.32	1.87	1529.51	2.00	0.00	1529.51	
10193.79	89.67	89.93	8418.00	2.44	2000.00	0.00	0.00	2000.00	
10693.80	89.64	89.93	8421.00	3.05	2500.00	0.01	-180.00	2500.00	TGT#4 (#3H)
10700.44	89.77	89.93	8421.03	3.06	2506.64	2.00	0.00	2506.64	TGT#5 (#3H)
11193.80	89.77	89.93	8423.00	3.67	3000.00	0.00	0.00	3000.00	TGT#6 (#3H)
11693.80	89.77	89.93	8425.00	4.28	3500.00	0.00	-180.00	3500.00	TGT#7 (#3H)
12193.81	89.77	89.93	8427.00	4.89	4000.00	0.00	0.00	4000.00	TGT#8 (#3H)
12693.81	89.77	89.93	8429.00	5.50	4500.00	0.00	-180.00	4500.00	TGT#9 (#3H)
12705.87	90.01	89.88	8429.02	5.52	4512.06	2.00	-12.13	4512.06	
12942.36	90.01	89.88	8429.00	6.02	4748.54	0.00	0.00	4748.55	PBHL (#3H)

DESIGN TARGET DETAILS					
Name	TVD	+N/-S	+E/-W	Northing	Easting
TGT#1 (#3H)	8399.00	0.61	500.00	586337.739	638548.206
TGT#2 (#3H)	8407.00	1.22	1000.00	586338.350	639048.205
TGT#3 (#3H)	8415.00	1.83	1500.00	586338.961	639548.205
TGT#4 (#3H)	8418.00	2.44	2000.00	586339.571	640048.205
TGT#5 (#3H)	8421.00	3.05	2500.00	586340.182	640548.204
TGT#6 (#3H)	8423.00	3.67	3000.00	586340.793	641048.204
TGT#7 (#3H)	8425.00	4.28	3500.00	586341.404	641548.203
TGT#8 (#3H)	8427.00	4.89	4000.00	586342.015	642048.203
TGT#9 (#3H)	8429.00	5.50	4500.00	586342.626	642548.203
PBHL (#3H)	8429.00	6.02	4748.54	586343.144	642796.750

Map System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone Name: New Mexico Eastern Zone
Local Origin: Well #3H, Grid North
Latitude: 32° 36' 41.398 N
Longitude: 104° 1' 9.298 W
Grid East: 638048.206
Grid North: 586337.128
Scale Factor: 1.000

Geomagnetic Model: IGRF200510
Sample Date: 16-Dec-13
Magnetic Declination: 7.51°
Dip Angle from Horizontal: 60.44°
Magnetic Field Strength: 48597
To convert Magnetic North to Grid, Add 7.34°
To convert Magnetic North to True, Add 7.51° East
To convert True North to Grid, Subtract 0.17°

PROJECT DETAILS: Eddy County, NM (NAD83 NME)
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level





Yates Petroleum Corp.

Eddy County, NM (NAD83 NME)

Hanagan APL Federal Com

#3H

OH

Plan: Plan #2

Standard Planning Report

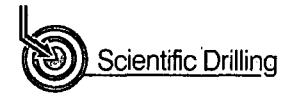
19 December, 2013



www.scientificdrilling.com



Scientific Drilling Planning Report



Database:	Midland District	Local Co-ordinate Reference:	Well #3H
Company:	Yates Petroleum Corp.	TVD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Project:	Eddy County, NM (NAD83 NME)	MD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Site:	Hanagan APL Federal Com	North Reference:	Grid
Well:	#3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Project:	Eddy County, NM (NAD83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site:	Hanagan APL Federal Com		
Site Position:	Northing:	586,337.128 usft	Latitude: 32° 36' 41.398 N
From: Map	Easting:	638,048.206 usft	Longitude: 104° 1' 9.298 W
Position Uncertainty:	0.00 usft	Slot Radius: 13-3/16"	Grid Convergence: 0.17°

Well:	#3H		
Well Position	+N/-S	0.00 usft	Northing: 586,337.128 usft
	+E/-W	0.00 usft	Easting: 638,048.206 usft
Position Uncertainty	0.00 usft	Wellhead Elevation:	0.00 usft
		Ground Level:	3,326.00 usft

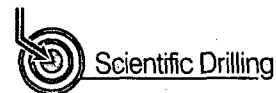
Wellbore:	OH		
Magnetics:	Model Name	Sample Date	Declination
			(°)
	IGRF200510	12/16/2013	7.51
			Dip Angle (°)
			60.44
			Field Strength (nT)
			48,597

Design:	Plan #2		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W
	(usft)	(usft)	(usft)
	0.00	0.00	0.00
			Direction (bearing)
			89.93

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7,921.11	0.00	0.00	7,921.11	0.00	0.00	0.00	0.00	0.00	0.00	
8,663.42	89.08	89.93	8,398.51	0.57	469.77	12.00	12.00	12.11	89.93	
8,693.65	89.08	89.93	8,399.00	0.61	500.00	0.00	0.00	0.00	0.00	TGT#1 (#3H)
8,693.98	89.08	89.93	8,399.01	0.61	500.33	2.00	2.00	0.00	0.00	
9,193.71	89.08	89.93	8,407.00	1.22	1,000.00	0.00	0.00	0.00	0.00	TGT#2 (#3H)
9,693.78	89.08	89.93	8,415.00	1.83	1,500.00	0.00	0.00	0.00	0.00	TGT#3 (#3H)
9,723.29	89.67	89.93	8,415.32	1.87	1,529.51	2.00	2.00	0.00	0.00	
10,193.79	89.67	89.93	8,418.00	2.44	2,000.00	0.00	0.00	0.00	0.00	TGT#4 (#3H)
10,693.80	89.64	89.93	8,421.00	3.05	2,500.00	0.01	-0.01	0.00	-180.00	TGT#5 (#3H)
10,700.44	89.77	89.93	8,421.03	3.06	2,506.64	2.00	2.00	0.00	0.00	
11,193.80	89.77	89.93	8,423.00	3.67	3,000.00	0.00	0.00	0.00	0.00	TGT#6 (#3H)
11,693.80	89.77	89.93	8,425.00	4.28	3,500.00	0.00	0.00	0.00	-180.00	TGT#7 (#3H)
12,193.81	89.77	89.93	8,427.00	4.89	4,000.00	0.00	0.00	0.00	0.00	TGT#8 (#3H)
12,693.81	89.77	89.93	8,429.00	5.50	4,500.00	0.00	0.00	0.00	-180.00	TGT#9 (#3H)
12,705.87	90.01	89.88	8,429.02	5.52	4,512.06	2.00	1.96	-0.42	-12.13	
12,942.36	90.01	89.88	8,429.00	6.02	4,748.54	0.00	0.00	0.00	0.00	PBHL (#3H)



Scientific Drilling Planning Report

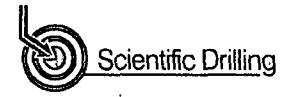


Database:	Midland District	Local Co-ordinate Reference:	Well: #3H
Company:	Yates Petroleum Corp.	TVD Reference:	KB = 18.5 @ 3344.50usft (McVay.8)
Project:	Eddy County, NM (NAD83/NME)	MD Reference:	KB = 18.5 @ 3344.50usft (McVay.8)
Site:	Hanagan APL Federal Com	North Reference:	Grid
Well:	#3H	Survey Calculation/Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	0.00	0.00	2,300.00	0.00	0.00	0.00	0.00	0.00	0.00
2,400.00	0.00	0.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00
2,500.00	0.00	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	0.00
2,600.00	0.00	0.00	2,600.00	0.00	0.00	0.00	0.00	0.00	0.00
2,700.00	0.00	0.00	2,700.00	0.00	0.00	0.00	0.00	0.00	0.00
2,800.00	0.00	0.00	2,800.00	0.00	0.00	0.00	0.00	0.00	0.00
2,900.00	0.00	0.00	2,900.00	0.00	0.00	0.00	0.00	0.00	0.00
3,000.00	0.00	0.00	3,000.00	0.00	0.00	0.00	0.00	0.00	0.00
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00
3,200.00	0.00	0.00	3,200.00	0.00	0.00	0.00	0.00	0.00	0.00
3,300.00	0.00	0.00	3,300.00	0.00	0.00	0.00	0.00	0.00	0.00
3,400.00	0.00	0.00	3,400.00	0.00	0.00	0.00	0.00	0.00	0.00
3,500.00	0.00	0.00	3,500.00	0.00	0.00	0.00	0.00	0.00	0.00
3,600.00	0.00	0.00	3,600.00	0.00	0.00	0.00	0.00	0.00	0.00
3,700.00	0.00	0.00	3,700.00	0.00	0.00	0.00	0.00	0.00	0.00
3,800.00	0.00	0.00	3,800.00	0.00	0.00	0.00	0.00	0.00	0.00
3,900.00	0.00	0.00	3,900.00	0.00	0.00	0.00	0.00	0.00	0.00
4,000.00	0.00	0.00	4,000.00	0.00	0.00	0.00	0.00	0.00	0.00
4,100.00	0.00	0.00	4,100.00	0.00	0.00	0.00	0.00	0.00	0.00
4,200.00	0.00	0.00	4,200.00	0.00	0.00	0.00	0.00	0.00	0.00
4,300.00	0.00	0.00	4,300.00	0.00	0.00	0.00	0.00	0.00	0.00
4,400.00	0.00	0.00	4,400.00	0.00	0.00	0.00	0.00	0.00	0.00
4,500.00	0.00	0.00	4,500.00	0.00	0.00	0.00	0.00	0.00	0.00
4,600.00	0.00	0.00	4,600.00	0.00	0.00	0.00	0.00	0.00	0.00
4,700.00	0.00	0.00	4,700.00	0.00	0.00	0.00	0.00	0.00	0.00
4,800.00	0.00	0.00	4,800.00	0.00	0.00	0.00	0.00	0.00	0.00
4,900.00	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	0.00	0.00
5,000.00	0.00	0.00	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00
5,100.00	0.00	0.00	5,100.00	0.00	0.00	0.00	0.00	0.00	0.00
5,200.00	0.00	0.00	5,200.00	0.00	0.00	0.00	0.00	0.00	0.00
5,300.00	0.00	0.00	5,300.00	0.00	0.00	0.00	0.00	0.00	0.00



Scientific Drilling Planning Report



Database:	Midland District	Local Co-ordinate Reference:	Well #3H
Company:	Yates Petroleum Corp.	IVD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Project:	Eddy County, NM (NAD83 NME)	MD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Site:	Hanagan APL Federal Com	North Reference:	Grid
Well:	#3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,400.00	0.00	0.00	5,400.00	0.00	0.00	0.00	0.00	0.00	0.00
5,500.00	0.00	0.00	5,500.00	0.00	0.00	0.00	0.00	0.00	0.00
5,600.00	0.00	0.00	5,600.00	0.00	0.00	0.00	0.00	0.00	0.00
5,700.00	0.00	0.00	5,700.00	0.00	0.00	0.00	0.00	0.00	0.00
5,800.00	0.00	0.00	5,800.00	0.00	0.00	0.00	0.00	0.00	0.00
5,900.00	0.00	0.00	5,900.00	0.00	0.00	0.00	0.00	0.00	0.00
6,000.00	0.00	0.00	6,000.00	0.00	0.00	0.00	0.00	0.00	0.00
6,100.00	0.00	0.00	6,100.00	0.00	0.00	0.00	0.00	0.00	0.00
6,200.00	0.00	0.00	6,200.00	0.00	0.00	0.00	0.00	0.00	0.00
6,300.00	0.00	0.00	6,300.00	0.00	0.00	0.00	0.00	0.00	0.00
6,400.00	0.00	0.00	6,400.00	0.00	0.00	0.00	0.00	0.00	0.00
6,500.00	0.00	0.00	6,500.00	0.00	0.00	0.00	0.00	0.00	0.00
6,600.00	0.00	0.00	6,600.00	0.00	0.00	0.00	0.00	0.00	0.00
6,700.00	0.00	0.00	6,700.00	0.00	0.00	0.00	0.00	0.00	0.00
6,800.00	0.00	0.00	6,800.00	0.00	0.00	0.00	0.00	0.00	0.00
6,900.00	0.00	0.00	6,900.00	0.00	0.00	0.00	0.00	0.00	0.00
7,000.00	0.00	0.00	7,000.00	0.00	0.00	0.00	0.00	0.00	0.00
7,100.00	0.00	0.00	7,100.00	0.00	0.00	0.00	0.00	0.00	0.00
7,200.00	0.00	0.00	7,200.00	0.00	0.00	0.00	0.00	0.00	0.00
7,300.00	0.00	0.00	7,300.00	0.00	0.00	0.00	0.00	0.00	0.00
7,400.00	0.00	0.00	7,400.00	0.00	0.00	0.00	0.00	0.00	0.00
7,500.00	0.00	0.00	7,500.00	0.00	0.00	0.00	0.00	0.00	0.00
7,600.00	0.00	0.00	7,600.00	0.00	0.00	0.00	0.00	0.00	0.00
7,700.00	0.00	0.00	7,700.00	0.00	0.00	0.00	0.00	0.00	0.00
7,800.00	0.00	0.00	7,800.00	0.00	0.00	0.00	0.00	0.00	0.00
7,900.00	0.00	0.00	7,900.00	0.00	0.00	0.00	0.00	0.00	0.00
7,921.11	0.00	0.00	7,921.11	0.00	0.00	0.00	0.00	0.00	0.00
7,925.00	0.47	89.93	7,925.00	0.00	0.02	0.02	12.00	12.00	0.00
7,950.00	3.47	89.93	7,949.98	0.00	0.87	0.87	12.00	12.00	0.00
7,975.00	6.47	89.93	7,974.89	0.00	3.04	3.04	12.00	12.00	0.00
8,000.00	9.47	89.93	7,999.64	0.01	6.50	6.50	12.00	12.00	0.00
8,025.00	12.47	89.93	8,024.18	0.01	11.26	11.26	12.00	12.00	0.00
8,050.00	15.47	89.93	8,048.44	0.02	17.29	17.29	12.00	12.00	0.00
8,075.00	18.47	89.93	8,072.35	0.03	24.59	24.59	12.00	12.00	0.00
8,100.00	21.47	89.93	8,095.84	0.04	33.12	33.12	12.00	12.00	0.00
8,125.00	24.47	89.93	8,118.86	0.05	42.88	42.88	12.00	12.00	0.00
8,150.00	27.47	89.93	8,141.33	0.07	53.82	53.82	12.00	12.00	0.00
8,175.00	30.47	89.93	8,163.20	0.08	65.93	65.93	12.00	12.00	0.00
8,200.00	33.47	89.93	8,184.41	0.10	79.16	79.16	12.00	12.00	0.00
8,225.00	36.47	89.93	8,204.89	0.11	93.49	93.49	12.00	12.00	0.00
8,250.00	39.47	89.93	8,224.60	0.13	108.87	108.87	12.00	12.00	0.00
8,275.00	42.47	89.93	8,243.48	0.15	125.25	125.25	12.00	12.00	0.00
8,300.00	45.47	89.93	8,261.47	0.17	142.61	142.61	12.00	12.00	0.00
8,325.00	48.47	89.93	8,278.53	0.20	160.88	160.88	12.00	12.00	0.00
8,350.00	51.47	89.93	8,294.61	0.22	180.02	180.02	12.00	12.00	0.00
8,375.00	54.47	89.93	8,309.66	0.24	199.97	199.97	12.00	12.00	0.00
8,400.00	57.47	89.93	8,323.65	0.27	220.69	220.69	12.00	12.00	0.00
8,425.00	60.47	89.93	8,336.54	0.30	242.11	242.11	12.00	12.00	0.00
8,450.00	63.47	89.93	8,348.29	0.32	264.17	264.17	12.00	12.00	0.00
8,475.00	66.47	89.93	8,358.86	0.35	286.82	286.82	12.00	12.00	0.00
8,500.00	69.47	89.93	8,368.24	0.38	309.99	309.99	12.00	12.00	0.00
8,525.00	72.47	89.93	8,376.39	0.41	333.62	333.62	12.00	12.00	0.00
8,550.00	75.47	89.93	8,383.30	0.44	357.65	357.65	12.00	12.00	0.00
8,575.00	78.47	89.93	8,388.93	0.47	382.00	382.00	12.00	12.00	0.00



Scientific Drilling Planning Report

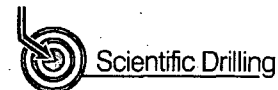


Database:	Midland District	Local Co-ordinate Reference:	Well #3H
Company:	Yates Petroleum Corp.	TVD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Project:	Eddy County NM (NAD83/NME)	MD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Site:	Hanagan APL Federal Com	North Reference:	Grid
Well:	#3H	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #2		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
8,600.00	81.47	89.93	8,393.29	0.50	406.62	406.62	12.00	12.00	0.00
8,625.00	84.47	89.93	8,396.35	0.53	431.43	431.43	12.00	12.00	0.00
8,650.00	87.47	89.93	8,398.11	0.56	456.36	456.36	12.00	12.00	0.00
8,663.42	89.08	89.93	8,398.51	0.57	469.77	469.77	12.00	12.00	0.00
8,693.65	89.08	89.93	8,399.00	0.61	500.00	500.00	0.00	0.00	0.00
TGT#1 (#3H)									
8,693.98	89.08	89.93	8,399.01	0.61	500.33	500.33	2.00	2.00	0.00
8,700.00	89.08	89.93	8,399.10	0.62	506.35	506.35	0.00	0.00	0.00
8,800.00	89.08	89.93	8,400.70	0.74	606.34	606.34	0.00	0.00	0.00
8,900.00	89.08	89.93	8,402.30	0.86	706.32	706.32	0.00	0.00	0.00
9,000.00	89.08	89.93	8,403.90	0.99	806.31	806.31	0.00	0.00	0.00
9,100.00	89.08	89.93	8,405.50	1.11	906.30	906.30	0.00	0.00	0.00
9,193.71	89.08	89.93	8,407.00	1.22	1,000.00	1,000.00	0.00	0.00	0.00
TGT#2 (#3H)									
9,200.00	89.08	89.93	8,407.10	1.23	1,006.29	1,006.29	0.00	0.00	0.00
9,300.00	89.08	89.93	8,408.70	1.35	1,106.27	1,106.27	0.00	0.00	0.00
9,400.00	89.08	89.93	8,410.30	1.47	1,206.26	1,206.26	0.00	0.00	0.00
9,500.00	89.08	89.93	8,411.90	1.60	1,306.25	1,306.25	0.00	0.00	0.00
9,600.00	89.08	89.93	8,413.50	1.72	1,406.23	1,406.24	0.00	0.00	0.00
9,693.78	89.08	89.93	8,415.00	1.83	1,500.00	1,500.00	0.00	0.00	0.00
TGT#3 (#3H)									
9,700.00	89.21	89.93	8,415.09	1.84	1,506.22	1,506.22	2.00	2.00	0.00
9,723.29	89.67	89.93	8,415.32	1.87	1,529.51	1,529.51	2.00	2.00	0.00
9,800.00	89.67	89.93	8,415.76	1.96	1,606.22	1,606.22	0.00	0.00	0.00
9,900.00	89.67	89.93	8,416.33	2.08	1,706.22	1,706.22	0.00	0.00	0.00
10,000.00	89.67	89.93	8,416.90	2.21	1,806.22	1,806.22	0.00	0.00	0.00
10,100.00	89.67	89.93	8,417.47	2.33	1,906.21	1,906.22	0.00	0.00	0.00
10,193.79	89.67	89.93	8,418.00	2.44	2,000.00	2,000.00	0.00	0.00	0.00
TGT#4 (#3H)									
10,200.00	89.67	89.93	8,418.04	2.45	2,006.21	2,006.21	0.01	-0.01	0.00
10,300.00	89.67	89.93	8,418.61	2.57	2,106.21	2,106.21	0.01	-0.01	0.00
10,400.00	89.66	89.93	8,419.20	2.70	2,206.21	2,206.21	0.01	-0.01	0.00
10,500.00	89.65	89.93	8,419.80	2.82	2,306.21	2,306.21	0.01	-0.01	0.00
10,600.00	89.65	89.93	8,420.41	2.94	2,406.20	2,406.21	0.01	-0.01	0.00
10,693.80	89.64	89.93	8,421.00	3.05	2,500.00	2,500.00	0.01	-0.01	0.00
TGT#5 (#3H)									
10,700.44	89.77	89.93	8,421.03	3.06	2,506.64	2,506.64	2.00	2.00	0.00
10,800.00	89.77	89.93	8,421.43	3.18	2,606.20	2,606.20	0.00	0.00	0.00
10,900.00	89.77	89.93	8,421.83	3.31	2,706.20	2,706.20	0.00	0.00	0.00
11,000.00	89.77	89.93	8,422.23	3.43	2,806.20	2,806.20	0.00	0.00	0.00
11,100.00	89.77	89.93	8,422.63	3.55	2,906.20	2,906.20	0.00	0.00	0.00
11,193.80	89.77	89.93	8,423.00	3.67	3,000.00	3,000.00	0.00	0.00	0.00
TGT#6 (#3H)									
11,200.00	89.77	89.93	8,423.02	3.67	3,006.20	3,006.20	0.00	0.00	0.00
11,300.00	89.77	89.93	8,423.42	3.79	3,106.20	3,106.20	0.00	0.00	0.00
11,400.00	89.77	89.93	8,423.82	3.92	3,206.20	3,206.20	0.00	0.00	0.00
11,500.00	89.77	89.93	8,424.22	4.04	3,306.20	3,306.20	0.00	0.00	0.00
11,600.00	89.77	89.93	8,424.62	4.16	3,406.20	3,406.20	0.00	0.00	0.00
11,693.80	89.77	89.93	8,425.00	4.28	3,500.00	3,500.00	0.00	0.00	0.00
TGT#7 (#3H)									
11,700.00	89.77	89.93	8,425.03	4.28	3,506.19	3,506.20	0.00	0.00	0.00
11,800.00	89.77	89.93	8,425.43	4.41	3,606.19	3,606.20	0.00	0.00	0.00
11,900.00	89.77	89.93	8,425.83	4.53	3,706.19	3,706.20	0.00	0.00	0.00



Scientific Drilling Planning Report

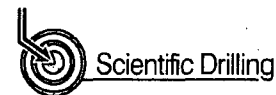


Database	Midland District	Local Co-ordinate Reference:	Well #3H
Company	Yates Petroleum Corp	TVD Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Project	Eddy County, NM (NAD83 NME)	MDI Reference:	KB = 18.5 @ 3344.50usft (McVay 8)
Site	Hanagan APL Federal Com	North Reference:	Grid
Well	#3H	Survey Calculation Method:	Minimum Curvature
Wellbore	OH		
Design	Plan #2		

Planned Survey										
Measured Depth (usft)	Inclination (°)	Azimuth (bearing)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
12,000.00	89.77	89.93	8,426.23	4.65	3,806.19	3,806.19	0.00	0.00	0.00	
12,100.00	89.77	89.93	8,426.63	4.77	3,906.19	3,906.19	0.00	0.00	0.00	
12,193.81	89.77	89.93	8,427.00	4.89	4,000.00	4,000.00	0.00	0.00	0.00	
TGT#8 (#3H)										
12,200.00	89.77	89.93	8,427.02	4.89	4,006.19	4,006.19	0.00	0.00	0.00	
12,300.00	89.77	89.93	8,427.42	5.02	4,106.19	4,106.19	0.00	0.00	0.00	
12,400.00	89.77	89.93	8,427.82	5.14	4,206.19	4,206.19	0.00	0.00	0.00	
12,500.00	89.77	89.93	8,428.22	5.26	4,306.19	4,306.19	0.00	0.00	0.00	
12,600.00	89.77	89.93	8,428.62	5.38	4,406.19	4,406.19	0.00	0.00	0.00	
12,693.81	89.77	89.93	8,429.00	5.50	4,500.00	4,500.00	0.00	0.00	0.00	
TGT#9 (#3H)										
12,705.87	90.01	89.88	8,429.02	5.52	4,512.06	4,512.06	2.00	1.96	-0.42	
12,800.00	90.01	89.88	8,429.01	5.72	4,606.19	4,606.19	0.00	0.00	0.00	
12,900.00	90.01	89.88	8,429.00	5.93	4,706.19	4,706.19	0.00	0.00	0.00	
12,942.36	90.01	89.88	8,429.00	6.02	4,748.54	4,748.55	0.00	0.00	0.00	
PBHL (#3H)										



Scientific Drilling Planning Report



Database	Midland District	Local Co-ordinate Reference:	Well #3H
Company	Yates Petroleum Corp	TVD Reference:	KB = 18'5" @ 3344'50usft (McVay 8)
Project	Eddy County, NM (NAD83 NME)	MD Reference:	KB = 18'5" @ 3344'50usft (McVay 8)
Site	Hanagan APL Federal Com	North Reference:	Grid
Well	#3H	Survey/Calculation Method:	Minimum Curvature
Wellbore	OH		
Design	Plan #2		

Design Targets									
Target Name	hit/miss target	Dip Angle	Dip Dir	TVD	+N/-S	+E/-W	Northing	Easting	
Shape		(°)	(bearing)	(usft)	(usft)	(usft)	(usft)	(usft)	
									Latitude Longitude
TGT#1 (#3H)	- plan hits target center - Point	0.00	0.01	8,399.00	0.61	500.00	586,337.739	638,548.205	32° 36' 41.389 N 104° 1' 3.453 W
TGT#2 (#3H)	- plan hits target center - Point	0.00	0.00	8,407.00	1.22	1,000.00	586,338.350	639,048.205	32° 36' 41.381 N 104° 0' 57.607 W
TGT#3 (#3H)	- plan hits target center - Point	0.00	0.01	8,415.00	1.83	1,500.00	586,338.961	639,548.205	32° 36' 41.372 N 104° 0' 51.761 W
TGT#4 (#3H)	- plan hits target center - Point	0.00	0.01	8,418.00	2.44	2,000.00	586,339.572	640,048.204	32° 36' 41.363 N 104° 0' 45.916 W
TGT#5 (#3H)	- plan hits target center - Point	0.00	0.00	8,421.00	3.05	2,500.00	586,340.182	640,548.204	32° 36' 41.354 N 104° 0' 40.070 W
TGT#6 (#3H)	- plan hits target center - Point	0.00	0.00	8,423.00	3.67	3,000.00	586,340.793	641,048.203	32° 36' 41.345 N 104° 0' 34.224 W
TGT#7 (#3H)	- plan hits target center - Point	0.00	0.00	8,425.00	4.28	3,500.00	586,341.404	641,548.203	32° 36' 41.336 N 104° 0' 28.378 W
TGT#8 (#3H)	- plan hits target center - Point	0.00	0.01	8,427.00	4.89	4,000.00	586,342.015	642,048.203	32° 36' 41.327 N 104° 0' 22.533 W
TGT#9 (#3H)	- plan hits target center - Point	0.00	0.01	8,429.00	5.50	4,500.00	586,342.626	642,548.203	32° 36' 41.318 N 104° 0' 16.687 W
PBHL (#3H)	- plan hits target center - Point	0.00	0.00	8,429.00	6.02	4,748.54	586,343.144	642,796.750	32° 36' 41.315 N 104° 0' 13.781 W

**PECOS DISTRICT
CONDITIONS OF APPROVAL**

OPERATOR'S NAME:	YATES PETROLEUM CORPORATION
LEASE NO.:	NM62211
WELL NAME & NO.:	HANAGAN APL FEDERAL -3H
SURFACE HOLE FOOTAGE:	660'/S & 180'/W
BOTTOM HOLE FOOTAGE	660'/S & 330'/E
LOCATION:	SEC.31-T19S-R30E
COUNTY:	EDDY County, New Mexico
API:	30-015-39801

The original COAs still stand with the following drilling modifications:

I. DRILLING

A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

1. **Hydrogen Sulfide (H₂S) monitors shall be installed prior to drilling out the surface shoe and a Hydrogen Sulfide (H₂S) Drilling Plan shall be activated 500 feet prior to drilling into the Delaware formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.**
2. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval. **If the drilling rig is removed without approval – an Incident of Non-Compliance will be written and will be a “Major” violation.**
3. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works is located, this does not include the dog house or stairway area.

4. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

B. CASING

Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).

Centralizers required on surface casing per Onshore Order 2.III.B.1.f.

Wait on cement (WOC) time prior to drilling out for a primary cement job will be a minimum 18 hours for a water basin, 24 hours in the potash area, or 500 pounds compressive strength, whichever is greater for all casing strings. DURING THIS WOC TIME, NO DRILL PIPE, ETC. SHALL BE RUN IN THE HOLE. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. IF OPERATOR DOES NOT HAVE THE WELL SPECIFIC CEMENT DETAILS ONSITE PRIOR TO PUMPING THE CEMENT FOR EACH CASING STRING, THE WOC WILL BE 30 HOURS. See individual casing strings for details regarding lead cement slurry requirements.

No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

High Cave/Karst potential

Secretary's Potash

Possible water and brine flows in the Artesia and Salado Groups.

Possible lost circulation in the Artesia Group and Capitan Reef.

1. The **20** inch surface casing shall be set at approximately **275** feet (a minimum of 25 feet above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

- b. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.**
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the **13-3/8 inch** intermediate casing is: **(set in the Seven Rivers formation at approximately 1680')**
- ☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst and potash.
3. The minimum required fill of cement behind the **9-5/8 inch 2nd** intermediate casing, **which is to be set in the base of the Capitan reef or the top of the Delaware at approximately 3500', is:**

Operator has proposed a DV tool between 1800'-2100'. Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth.

- a. First stage to DV tool:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.

- b. Second stage above DV tool:

☒ Cement to surface. If cement does not circulate see B.1.a, c-d above.
Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to the Capitan Reef and potash. Excess calculates to 16% - Additional cement may be required.

Centralizers required on horizontal leg, must be type for horizontal service and a minimum of one every other joint.

4. The minimum required fill of cement behind the **5-1/2** inch production casing is:

Operator has proposed a DV tool between 6000' 6500'. Operator is to submit sundry if DV tool depth varies by more than 100' from approved depth.

- a. First stage to DV tool:

☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve approved top of cement on the next stage.

- b. Second stage above DV tool:

☒ Cement should tie-back a minimum of **50 feet above the Capitan Reef**. Operator shall provide method of verification. **Excess calculates to 6% - Additional cement may be required.**

5. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

C. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17. **Piping from choke manifold to flare to be as straight as possible.**
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **20 inch surface casing shoe** shall be **2000 (2M) psi**.
 - a. **For surface casing only:** If the BOP/BOPE is to be tested against casing, the wait on cement (WOC) time for that casing is to be met (see WOC statement at start of casing section). Independent service company required.
3. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **13-3/8 inch intermediate casing shoe** shall be **3000 (3M) psi**.

4. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
- a. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time.
 - b. The tests shall be done by an independent service company utilizing a test plug **not a cup or J-packer**. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (18 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - c. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock.
 - d. The results of the test shall be reported to the appropriate BLM office.
 - e. All tests are required to be recorded on a calibrated test chart. **A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.**
 - f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

D. DRILL STEM TEST

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

E. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion 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.

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