

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.*

5. Lease Serial No.  
NMNM57274

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HARACZ AMO FEDERAL 10H

2. Name of Operator Contact: NAOMI G SAIZ  
YATES PETROLEUM CORPORATION - Mail: nsaiz@yatespetroleum.com

9. API Well No.  
30-015-40963-00-X1

3a. Address  
105 SOUTH FOURTH STREET  
ARTESIA, NM 88210

3b. Phone No. (include area code)  
Ph: 575-748-4211

10. Field and Pool, or Exploratory  
UNDESIGNATED

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 24 T24S R31E NENE 200FNL 660FEL

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			
<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 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 checked="" type="checkbox"/> Other Change to Original A. PD
	<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 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 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 make the following changes to our approved APD as per the attached paperwork.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record  
NMOCDC  
TCS  
4-2-2014

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

**Electronic Submission #235402 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad  
Committed to AFMSS for processing by JENNIFER MASON on 03/27/2014 (14JAM0340SE)**

Name (Printed/Typed) NAOMI G SAIZ	Title WELL PLANNING TECH
Signature (Electronic Submission)	Date 02/12/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

**APPROVED**

Approved By _____	Title _____	Date MAR 28 2014
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 _____	/s/ Chris Walls

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.

**Haracz AMO Federal #10H**

Yates Petroleum Corporation respectfully requests to make the following changes to the approved APD:

It is requested to remove the pilot hole from this well.

**Intermediate:**

Well will be drilled vertically with a 12 1/4" hole to an approx. depth of 4,630' where 9 5/8" casing will be set and cemented to surface. 9 5/8" casing will be either J-55 or K-55.

0 ft to 80 ft				Make up Torque ft-lbs			Total ft = 80
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625inches	40 #/ft	J-55	LT&C	5,200	3,900	6,500	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	520 ,000 #		546 ,000 #		8.75-SD	

80 ft to 3,300 ft				Make up Torque ft-lbs			Total ft = 3,220
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625inches	36 #/ft	J-55	LT&C	4,530	3,400	5,660	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,020 psi	3,950 psi	394 ,000 #		564 ,000 #		8.765	

3,300 ft to 4,200 ft				Make up Torque ft-lbs			Total ft = 900
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625inches	40 #/ft	J-55	BT&C	5,200	3,900	6,500	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,570 psi	3,950 psi	520 ,000 #		546 ,000 #		8.75-SD	

4,200 ft to 4,630 ft				Make up Torque ft-lbs			Total ft = 430
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625inches	40 #/ft	HCK-55	LT&C	6,940	5,210	8,680	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
4,230 psi	3,950 psi	604 ,000 #		630 ,000 #		8.75-SD	

**Casing will be cemented as follows:**

Lead w/1315sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/200sx Class C (YLD 1.34 WT 14.8, 6.23 gal/sk) 100% excess TOC=0'

**Production:**

Well will be drilled vertically to approx. 10153'. Well will then be kicked off at approx. 10153' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 10907' MD (10631' TVD). Hole size will then be reduced to 8 1/2" and drilled to 15176' MD. (10600' TVD) where 5 1/2" casing will then be set and cemented approx. 500' into previous casing string. Production casing will be cemented in two stages with a DV/packer stage tool at approx. 7000'-7500' (cement volumes will be adjusted per tool placement). Penetration point encountered at 681' FNL and 660' FEL, 24-24S-31E. Deepest TVD is 10631' in the lateral.

0 ft to 15,176 ft		Make up Torque ft-lbs			Total ft = 15,176
O.D. 5.5 inches	Weight 17 #/ft	Grade P-110	Threads BT&C	opt.	
Collapse Resistance 7,480 psi	Internal Yield 10,640 psi	Joint Strength 568,000 #	Body Yield 546,000 #	Drift 4.767	
			min.	mx.	

DV/Packer Stage tool placed approximately at 7000'-7500' (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/875sx PVL (YLD 1.83 WT 13, 9.3 gal/sk) 15,176-7100' 35% Excess, TOC=7100'

Stage II: Lead w/375sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/205sx Class C (YLD 1.34 WT 14.8, 6.2 gal/sk) 7100'-4100' 35% Excess, TOC=4100'

**Contingency Cement Design:**

**If hole conditions dictate a 3 stage job will be pumped as follows:**

Production casing will be cemented in three stages with a DV/packer stage tool at approx. 9,500'-10,000' and at approx. 7000'-7500' (cement volumes will be adjusted per tool placement).

Stage I: Lead w/895sx PVL (YLD 1.83 WT 13, 9.3 gal/sk) 15,176-10,000' 35% Excess, TOC=10,000'

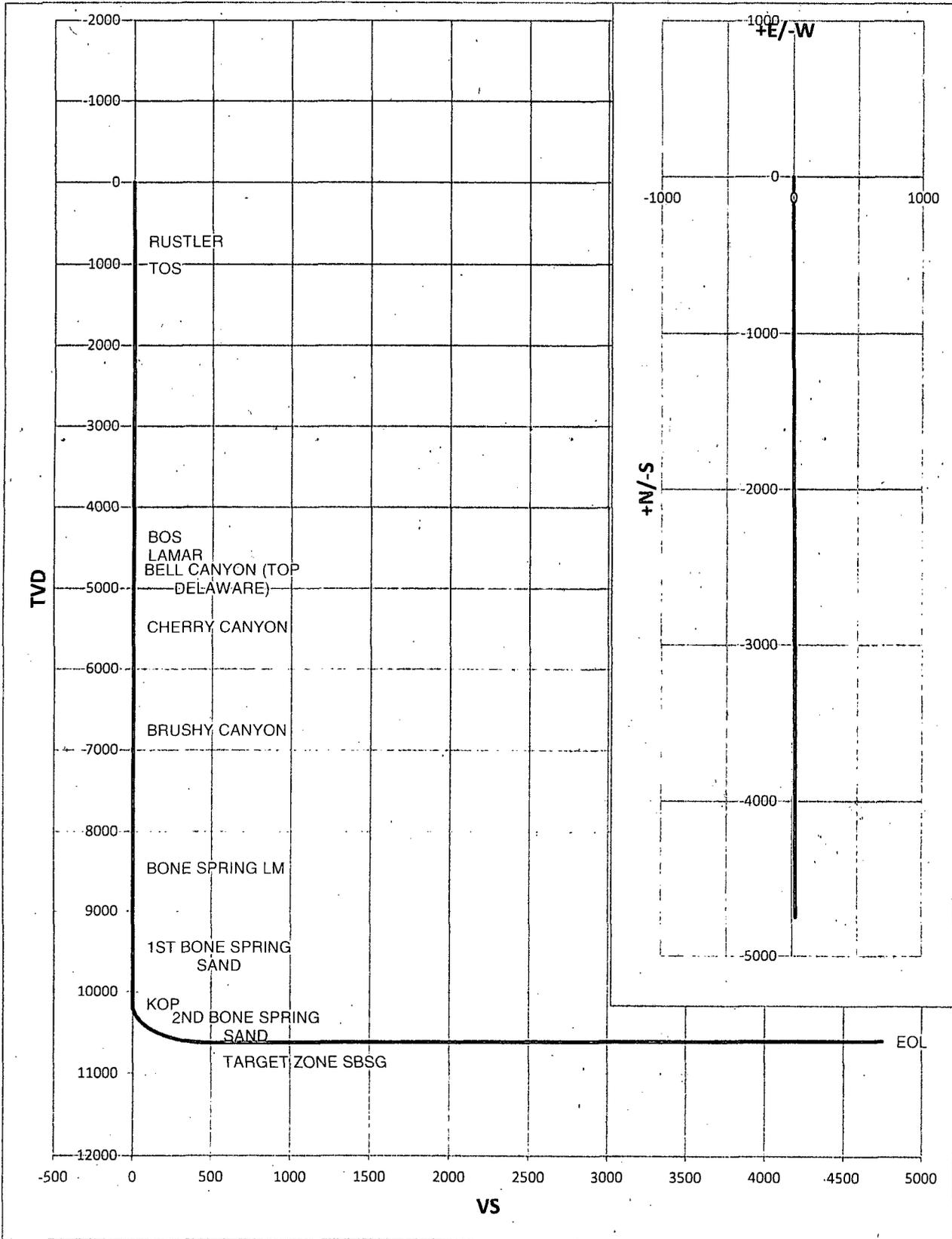
Stage II: Lead w/360sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/205sx Class C (YLD 1.34 WT 14.8, 6.2 gal/sk) 10,000'-7100' 35% Excess, TOC=7100'

Stage III: Lead w/375sx 35/65 PozC (YLD 2 WT 12.5, 11 gal/sk) tail w/205sx Class C (YLD 1.34 WT 14.8, 6.2 gal/sk) 7100'-4100' 35% Excess, TOC=4100'

<b>Well Name:</b> Haracz AMO Federal #10H	<b>Tgt N/S:</b> -4749.82	<b>EOC TVD/MD:</b> 10630.56 / 10906.52
<b>Surface Location:</b> Section 24 , Township 24S Range 31E	<b>Tgt E/W:</b> 28.70	<b>VS:</b> 4749.91
<b>Bottom Hole Location:</b> Section 24 , Township 24S Range 31E	<b>VS Az:</b> 179.65	<b>EOL TVD/MD:</b> 10600.00 / 15175.55

MD	Inc.	Azi	TVD	N/S	E/W	VS	DLS	Comments
722.00	0.00	0.00	722.00	0.00	0.00	0.00	0.00	RUSTLER
1050.00	0.00	0.00	1050.00	0.00	0.00	0.00	0.00	TOS
4367.00	0.00	0.00	4367.00	0.00	0.00	0.00	0.00	BOS
4592.00	0.00	0.00	4592.00	0.00	0.00	0.00	0.00	LAMAR
4637.00	0.00	0.00	4637.00	0.00	0.00	0.00	0.00	BELL CANYON (TOP DELAWARE)
5485.00	0.00	0.00	5485.00	0.00	0.00	0.00	0.00	CHERRY CANYON
6755.00	0.00	0.00	6755.00	0.00	0.00	0.00	0.00	BRUSHY CANYON
8451.00	0.00	0.00	8451.00	0.00	0.00	0.00	0.00	BONE SPRING
9557.00	0.00	0.00	9557.00	0.00	0.00	0.00	0.00	1ST BONE SPRING SAND
10153.11	0.00	0.00	10153.11	0.00	0.00	0.00	0.00	KOP
10175.00	2.63	179.65	10174.99	-0.50	0.00	0.50	12.00	
10200.00	5.63	179.65	10199.92	-2.30	0.00	2.30	12.00	
10225.00	8.63	179.65	10224.73	-5.40	0.03	5.40	12.00	
10250.00	11.63	179.65	10249.34	-9.80	0.06	9.80	12.00	
10275.00	14.63	179.65	10273.68	-15.47	0.09	15.48	12.00	
10279.47	15.16	179.65	10278.00	-16.62	0.10	16.62	12.00	2ND BONE SPRING SAND
10300.00	17.63	179.65	10297.69	-22.42	0.14	22.42	12.00	
10325.00	20.63	179.65	10321.31	-30.61	0.18	30.61	12.00	
10350.00	23.63	179.65	10344.47	-40.02	0.24	40.03	12.00	
10375.00	26.63	179.65	10367.10	-50.64	0.31	50.64	12.00	
10400.00	29.63	179.65	10389.14	-62.42	0.38	62.42	12.00	
10425.00	32.63	179.65	10410.54	-75.34	0.46	75.35	12.00	
10450.00	35.63	179.65	10431.23	-89.37	0.54	89.37	12.00	
10475.00	38.63	179.65	10451.16	-104.46	0.63	104.46	12.00	
10500.00	41.63	179.65	10470.28	-120.57	0.73	120.57	12.00	
10525.00	44.63	179.65	10488.52	-137.66	0.83	137.66	12.00	
10550.00	47.63	179.65	10505.85	-155.67	0.94	155.68	12.00	
10575.00	50.63	179.65	10522.20	-174.58	1.05	174.58	12.00	
10600.00	53.63	179.65	10537.55	-194.31	1.17	194.31	12.00	
10625.00	56.63	179.65	10551.84	-214.82	1.30	214.82	12.00	
10650.00	59.63	179.65	10565.04	-236.04	1.43	236.05	12.00	
10675.00	62.63	179.65	10577.11	-257.93	1.56	257.94	12.00	
10700.00	65.63	179.65	10588.02	-280.42	1.69	280.43	12.00	
10725.00	68.63	179.65	10597.73	-303.46	1.83	303.46	12.00	
10750.00	71.63	179.65	10606.23	-326.96	1.98	326.97	12.00	
10775.00	74.63	179.65	10613.49	-350.88	2.12	350.89	12.00	
10800.00	77.63	179.65	10619.48	-375.15	2.27	375.16	12.00	
10825.00	80.63	179.65	10624.20	-399.70	2.42	399.71	12.00	
10850.00	83.63	179.65	10627.62	-424.46	2.56	424.47	12.00	
10875.00	86.63	179.65	10629.74	-449.37	2.72	449.38	12.00	
10900.00	89.63	179.65	10630.56	-474.35	2.87	474.36	12.00	
10906.52	90.41	179.65	10630.56	-480.87	2.91	480.88	12.00	TARGET ZONE SBSG
15175.55	90.41	179.65	10600.00	-4749.82	28.70	4749.91	0.00	EOL

Haracz AMO Federal #10H



## CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Yates Petroleum Corp
LEASE NO.:	NM57274
WELL NAME & NO.:	10H Haracz AMO Federal
SURFACE HOLE FOOTAGE:	200' FNL & 660' FEL
BOTTOM HOLE FOOTAGE:	330' FSL & 660' FEL
LOCATION:	Section 24, T.24 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

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

**Operator has proposed DV tool set from 7000-7500'. Operator is to submit sundry if DV tool cannot be set in that range.**

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 should tie-back at least **500** feet into previous casing string. Operator shall provide method of verification.

### Contingency 3 stage cement program.

**Operator has proposed 2 DV tools set from 7000-7500' and 9500-10000'. Operator is to submit sundry if DV tools cannot be set in that range.**

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

c. Third stage above DV tool:

- Cement should tie-back at least **500** feet into previous casing string. Operator shall provide method of verification.

**CRW 032814**