

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION  
OCD-ARTESIAFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010AUG 28 2014  
RECEIVED  
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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM25481
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact: LAURA WATTS E-Mail: laura@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4272 Fx: 575-748-4585	8. Well Name and No. RIO PECOS KO FEDERAL COM 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T18S R27E NENE 660FNL 1300FEL		9. API Well No. 30-015-22899
		10. Field and Pool, or Exploratory WILDCAT, BONE SPRING
		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 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 checked="" 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 plans to plug back and recomplete this well as follows:

1. MIRU WSU and all safety equipment necessary. NU BOP.
2. POOH with existing production equipment.
3. Run a gauge ring and junk basket to 6,930 ft. Set a CIBP at 6,922 ft and cap it with 25 sx of Class H cement from 6,682 ft to 6,922 ft. This will place a plug over the open Wolfcamp perforations.
4. Perforate Bone Spring 6,600 ft to 6,630 ft (31 holes).
5. Set packer at 6,500 ft. Breakdown and acidize the perforations with 5000 gallons 20 percent gelled IC HCL. Drop 50 7/8 inch 1.3 SG RCN ballsealers spaced evenly throughout acid. Over flush the perforations with 200 bbls of water.
6. Flow the well back until it dies and POOH. TIH with the production equipment specified by the

AFTER RECOMPLETION AND TESTING  
PLEASE SUBMIT 3160-4 COMPLETION  
REPORT FOR THE Production  
INTERVAL(S) WITHIN 30 DAYSWITNESS  
PLUG BACKSEE ATTACHED FOR  
CONDITIONS OF APPROVAL

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

Electronic Submission #250432 verified by the BLM Well Information System  
For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Name (Printed/Typed) LAURA WATTS	Title REG REPORTING TECHNICIAN
Signature (Electronic Submission)	Date 06/23/2014
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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	

APPROVED

AUG 22 2014

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

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

SUBJECT TO LIKE  
APPROVAL BY STATE

**Additional data for EC transaction #250432 that would not fit on the form**

**32. Additional remarks, continued**

Production Department and turn the well over.

Wellbore schematics attached

WELL NAME: Rio Pecos KO Federal # 1

FIELD: Red Lake Penn

LOCATION: 660' FNL &amp; 1,300' FEL of Section 28-18S-27E

Eddy Co., NM

GL: 3,425' ZERO: 13' KB: 3,438'

SPUD DATE: 4/29/79 COMPLETION DATE: 6/30/79

COMMENTS: API No.: 30-015-22899

## CASING PROGRAM

13-3/8" 48# H40	315'
8-5/8" 24# J55	2,000'
Top	
5-1/2" 17# N80 1,700'	
5-1/2" 17# K55 7,219'	
5-1/2" 17# N80 1,100'	10,019'
Bottom	

Before

## TOPS

SA	1,800'
Glorieta	3,472'
WC	6,930'
Canyon	7,990'
Strawn	8,648'
Atoka	9,252'
Morrow CL	9,615'
Chester	9,943'

17-1/2"  
Hole

12-1/4" Hole

7-7/8" Hole

13-3/8" @ 315'  
w/ 250 sx (Circ.)8-5/8" @ 2,000'  
w/ 1,050 sx (Circ.)

TOC @ 5,800 by CBL

WC Perfs: 6,972' - 6,982' (11), 6,998' - 7,000' (3),  
7,030' 7,036' (7), 7,042' 7,052' (11)

25 sx Class "H" plug from 7,798' - 8,056', across the Canyon top.

CIBP @ 9,660' w/ 25 sx plug from 9,467' - 9,660'

Morrow Perfs: 9,720' - 9,736' (64)

5-1/2" @ 10,019'  
w/ 550 sx cmtFC: 9,977'  
TD: 10,121'Not to Scale  
3/27/14  
JMH

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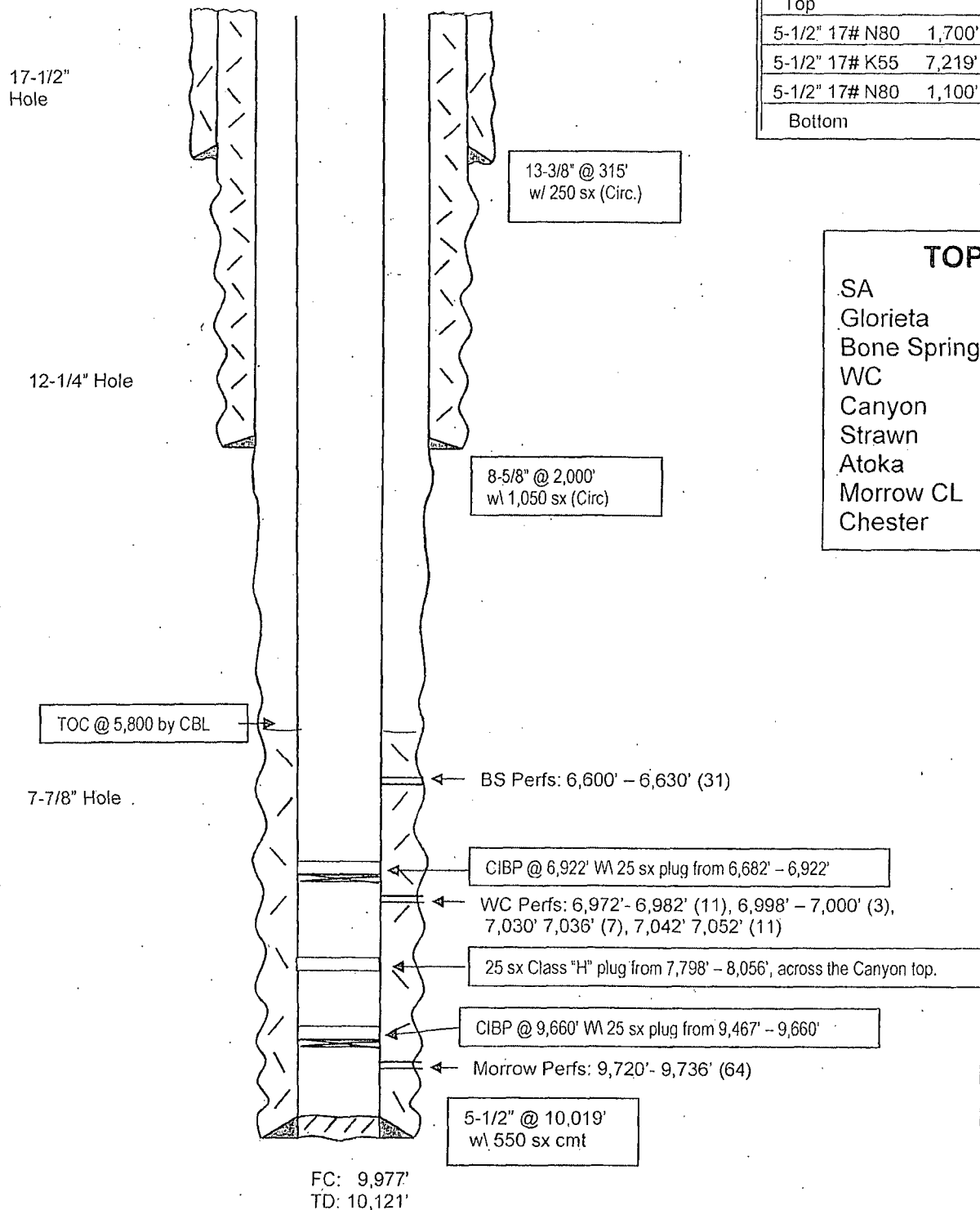
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## TOPS

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Not to Scale  
 3/27/14  
 JMH

## Conditions of Approval

Yates Petroleum Corporation  
Rio Pecos KO Com - 01  
API 3001522899, T18S-R27E, Sec 28  
August 22, 2014

1. **Step 3 plug – Tag Wolfcamp plug at 6870 or higher.**
2. A new “Well Location and Acreage Dedication Plat” (NMOCD Form C-102) is required with the notice of intent package when opening another pay zone.
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Subject to like approval by the New Mexico Oil Conservation Division.
5. Notify BLM 575-200-7902 Eddy Co. as work begins. Some procedures are to be witnessed. If there is no response, call 575-361-2822, leave a voice mail with the API#, workover purpose, and a call back phone number
6. Surface disturbance beyond the existing pad must have prior approval.
7. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
8. Functional H<sub>2</sub>S monitoring equipment shall be on location.
9. 3000 (3M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
10. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over 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.
11. The BLM PET witness is to run tbg tally and agree to cement placement. Sample each plug for cement curing time and tag and/or pressure test (WOC time of 4 hours recommended) as requested by BLM PET witness.
12. Set cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft from the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7” casing would require a min of 35sx. A 25sx plug in 5 ½” casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.

13. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft<sup>3</sup>/sx, 6.3gal/sx water and "H" to be mixed 15.6#/gal, 1.18ft<sup>3</sup>/sx, 5.2gal/sx water.
14. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
15. **After setting the top plug and before perforating, perform a BLM PET witnessed (charted) casing integrity test of 500 psig. Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.**
16. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
17. Submit the BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
18. Workover approval is good for 90 days (completion to be within 90 days of approval). A legitimate request is necessary for extension of that date.

An inactive/shut-in well bore is a non-producing completion that is capable of "beneficial use" i.e. production in **paying quantities** or of service use.

19. Submit evidence to support your determination that the well has been returned to active "beneficial use" for BLM approval on the Sundry Notice Form 3160-5 (the original and 3 copies) before 07/15/2015.
20. Should "beneficial use" not be achieved submit for BLM approval a plan for plug and abandonment.

PRS/ CRW 020314

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.