

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Section 26, T20S-R24E

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2834

5. Lease Serial No.
NM-045276
6. Indian, Alutotie or Tribe Name

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)

(505) 748-1471

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

360' FSL and 2080' FWL Surface Location

660' FNL and 1980' FWL Bottom Hole Location

Section 34, T20S-R24E

7. If Unit or CA/Agreement, Name and/o

8. Well Name and No.

Diamond AKI Federal #1-H

9. API Well No.

30-015-27086

10. Field and Pool, or Exploratory Area

Wildcat Canyon

11. County or Parish, State

Eddy County, New Mexico

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 Lateral
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	Horizontal.
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. 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.)

Please see attached Preliminary Drilling Reports.

Please see attached Plats (C-102's).

Please see attached Survey Calculations.

Thank you.

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

Name (Printed/Typed)

Cy Cowan

Title

Regulatory Agent

Signature

Date

October 16, 2000

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

(ORIG. SGD.) DAVID F. GLASS

Title

PETROLEUM ENGINEER

Date

OCT 19 2000

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, 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)

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name Wildcat Canyon	
4 Property Code		5 Property Name Diamond AKI Federal			6 Well Number 1
7 OGRID No. 025575		8 Operator Name YATES PETROLEUM CORPORATION			9 Elevation 3724'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	34	20S	24E		360'	South	2080'	West	Eddy

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	34	20S	24E		660'	North	1980'	West	Eddy

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 NM- 045276 2080' 360'				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Cy Cowan</u> Printed Name <u>Cy Cowan</u> Title <u>Regulatory Agent</u> Date <u>October 16, 2000</u>	
				18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey _____ Signature and Seal of Professional Surveyer: _____ REFER TO ORIGINAL PLAT Certificate Number _____	

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

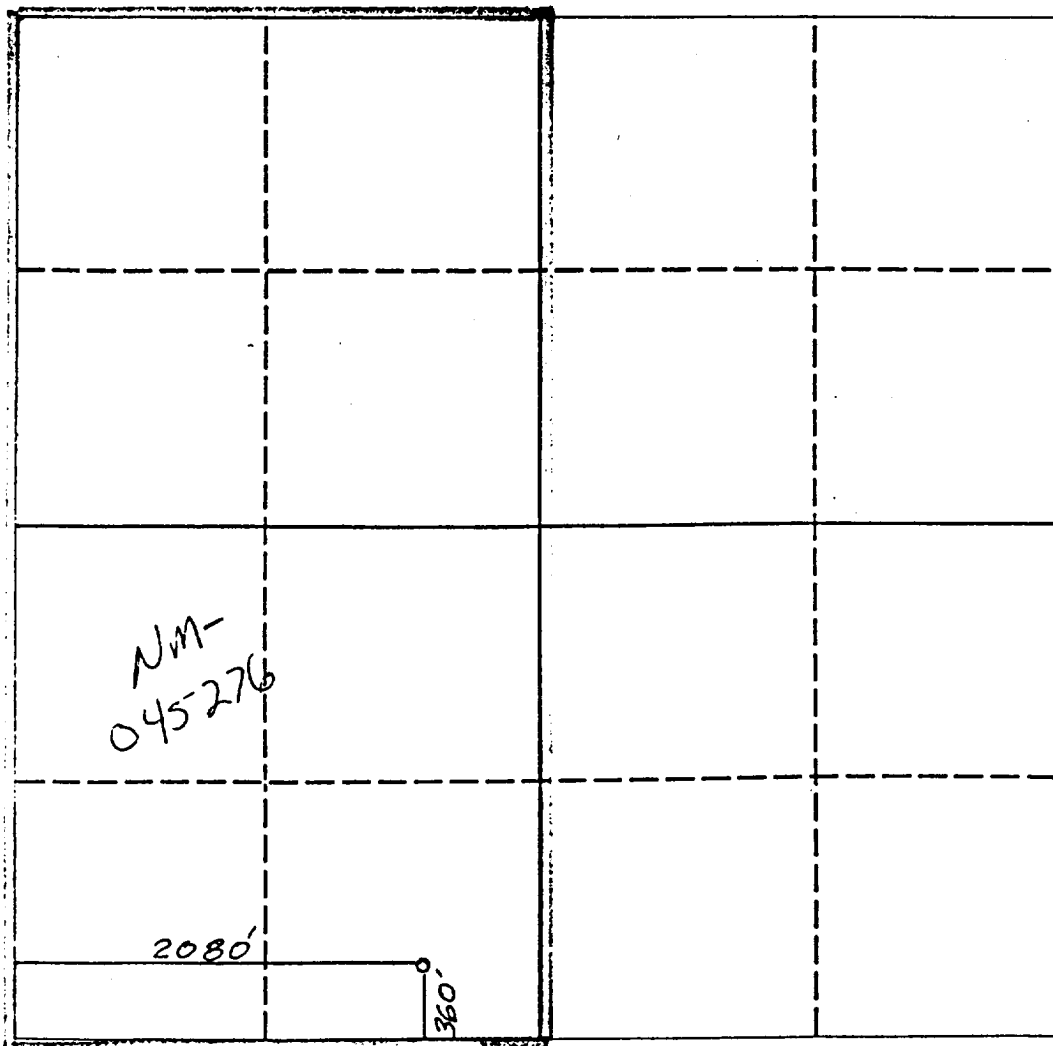
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator YATES PETROLEUM CORPORATION			Lease DIAMOND AKI FEDERAL		Well No. 1
Unit Letter N	Section 34	Township 20 SOUTH	Range 24 EAST	County EDDY COUNTY, NM	
Actual Footage Location of Well: 2080 feet from the WEST line and 360 feet from the SOUTH line					
Ground level Elev. 3724.	Producing Formation Cisco Canyon	Pool S. Dagger Draw Upper Penn	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

OPERATOR CERTIFICATION

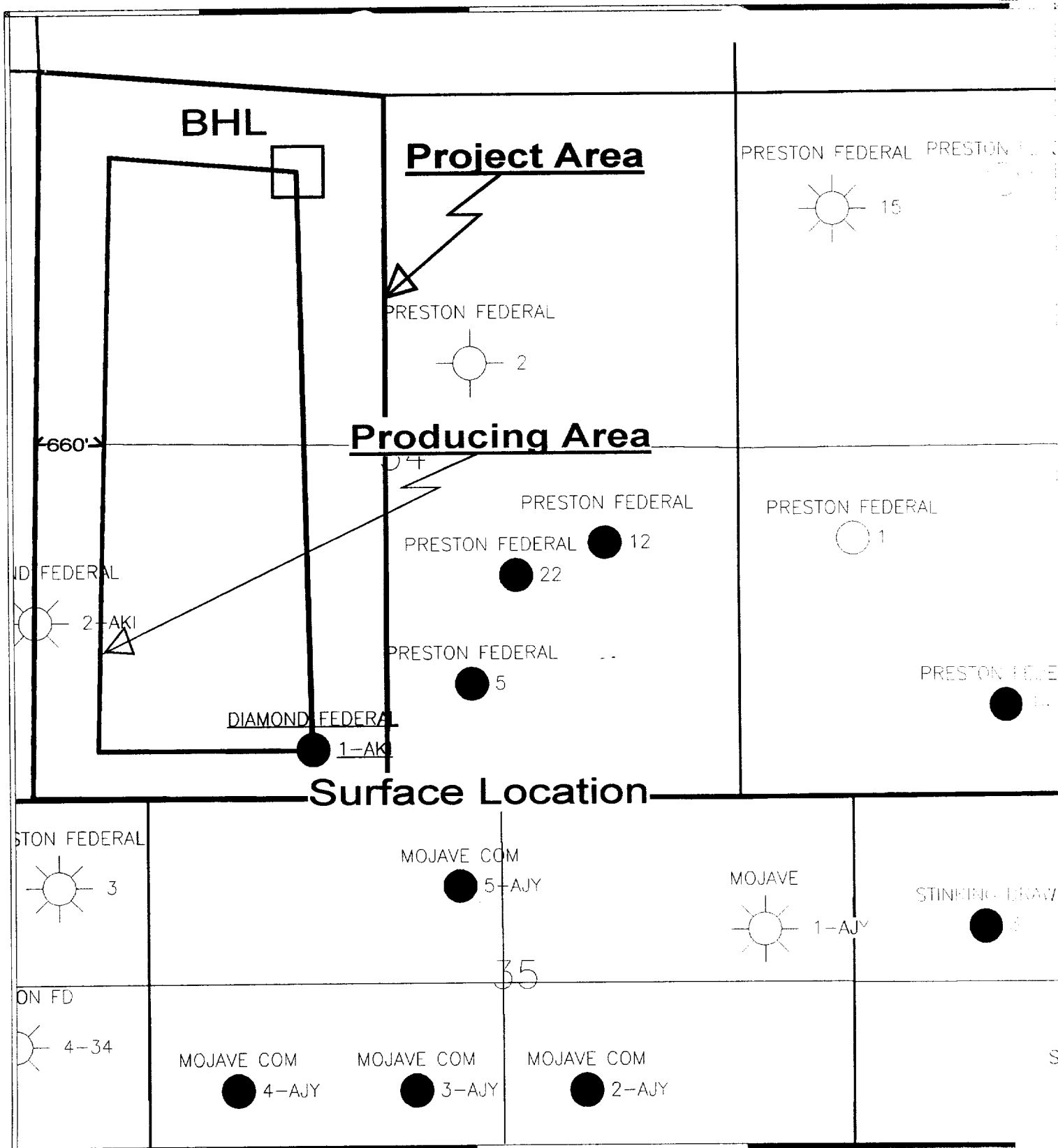
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Ken Beardemph
Printed Name
KEN BEARDEMPH
Position
LANDMAN
Company
Yates Pet. Corp.
Date
6-23-92

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes actual surveys made by me or under supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
JUNE 18, 1992
Signature & Seal of Professional Surveyor
Ken Beardemph
Certificate No.
5412
NEW MEXICO
PROFESSIONAL ENGINEER



Surface Location: 360 FSL & 2080 FWL Sec. 34-T20S-R24E
 Proposed Bottom Hole Location: 660 FNL & 1980 FWL Sec. 34-T20S-R24E

Yates Petroleum Corporation		
DIAMOND FEDERAL AKI #1-H Section 34 T20S-R24E		
John F. Humphrey		9/15/00
Scale 1:12000.		

Drilling Prognosis

Yates Petroleum

This information is only approximate. Final form may vary

Diamond AKI Federal #1-H

Surface: Sec. 34 20S-24E 360' S & 2,080' W

Bottom Hole: 660' N & 1,980' W

Eddy County, NM, 11,920' MD Canyon

Procedure:

YPC plans to re-enter this well which was drilled in 1996. The well is currently producing. The tubing and sub pump will be pulled from the well, and the perforations will be left open. A cast iron bridge plug will be set at +/-7,532'. A whipstock will then be set inside of the casing on top of the CIBP. A window will then be milled in the casing at 7,513', and the wellbore will be sidetracked out of the 7" casing. A 6 1/8" bit will be used for the horizontal lateral. A build rate of 25 deg/100' will be used until a final inclination of 90 degrees is reached. This should occur at 7,885' MD, 7,755' TVD. From this point the 90 degree angle will be maintained and a lateral approximately 4,260' long will be drilled. The end of the lateral will be 11,921' MD, 7,755' TVD.

Geological Program

Expected Tops:

SAN ANDRES	Depth: 545
GLORIETA	Depth: 2080
BONE SPRING	Depth: 3109
WOLFCAMP LST	Depth: 5851
CANYON LST	Depth: 7410
TD	Depth: 7755' TVD, 11,921' MD

Drilling Program

Hole Size		Casing Program		
Size	Depth To	Size	Weight	Depth
14.75"	1115'	9.625"	36#J-55	1115'
8.75"	8150'	7"	23#, 26#	8150'
6.125"	11,921' MD	OPEN HOLE		

NOTE: The 9.625" and 7" casing strings are set and cemented in place.

Mud Program

Depth		Type	Weight
From	To		
0'	TD	FW	8.4-8.6
		Vis: 28-32	

Diamond

Job Number: 1

State/Country: NM/USA Eddy County

Company: Yates Petroleum Corporation
Lease/Well: Diamond AKI Federal #1-H
Location: Section 34 T20S-R24E
Rig Name: N/A
RKB:
G.L. or M.S.L.:

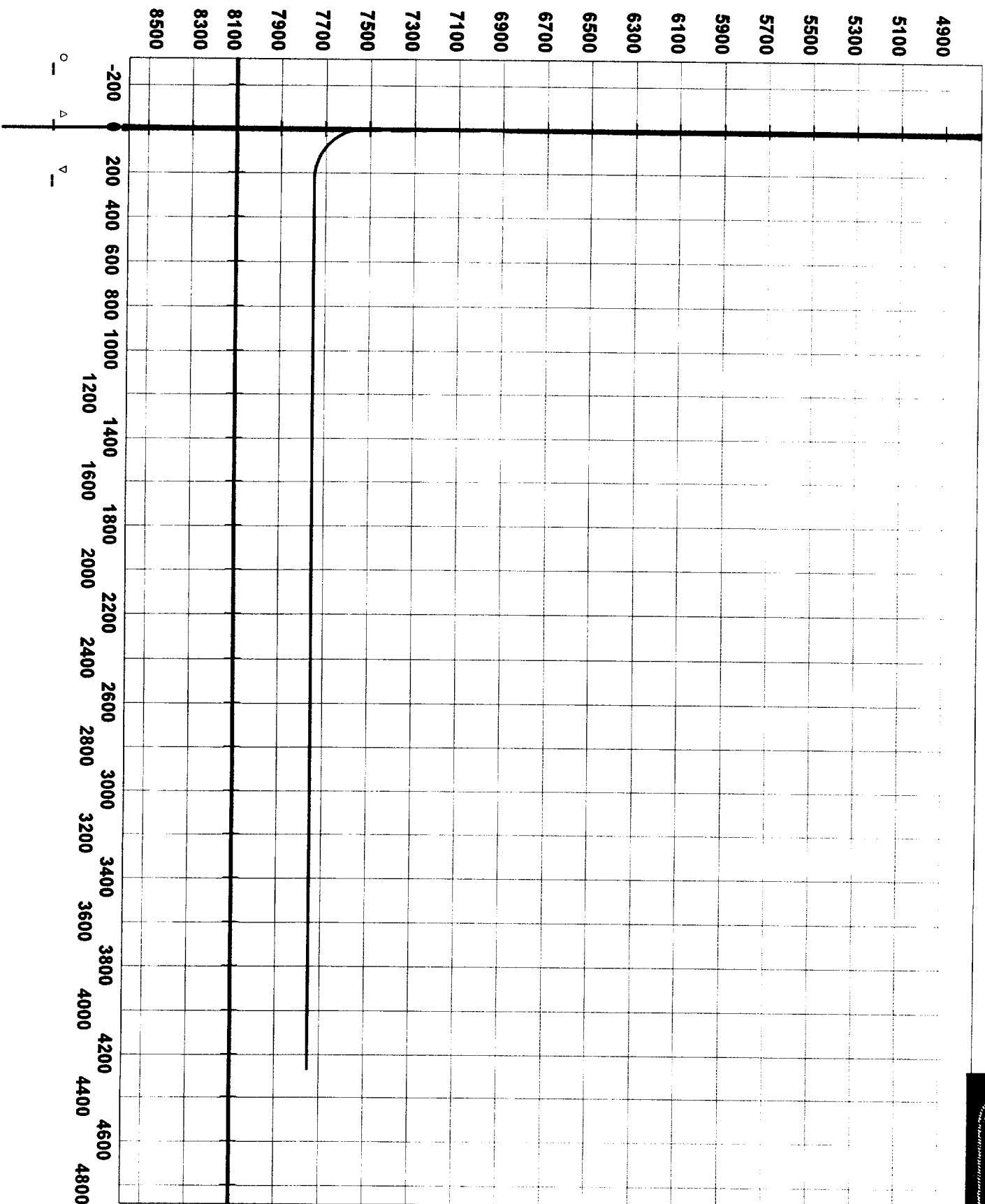
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Grid:
File name: C:\WINSERVE\DIAMOND.SVY
Date/Time: 28-Sep-00 / 08:12
Curve Name:

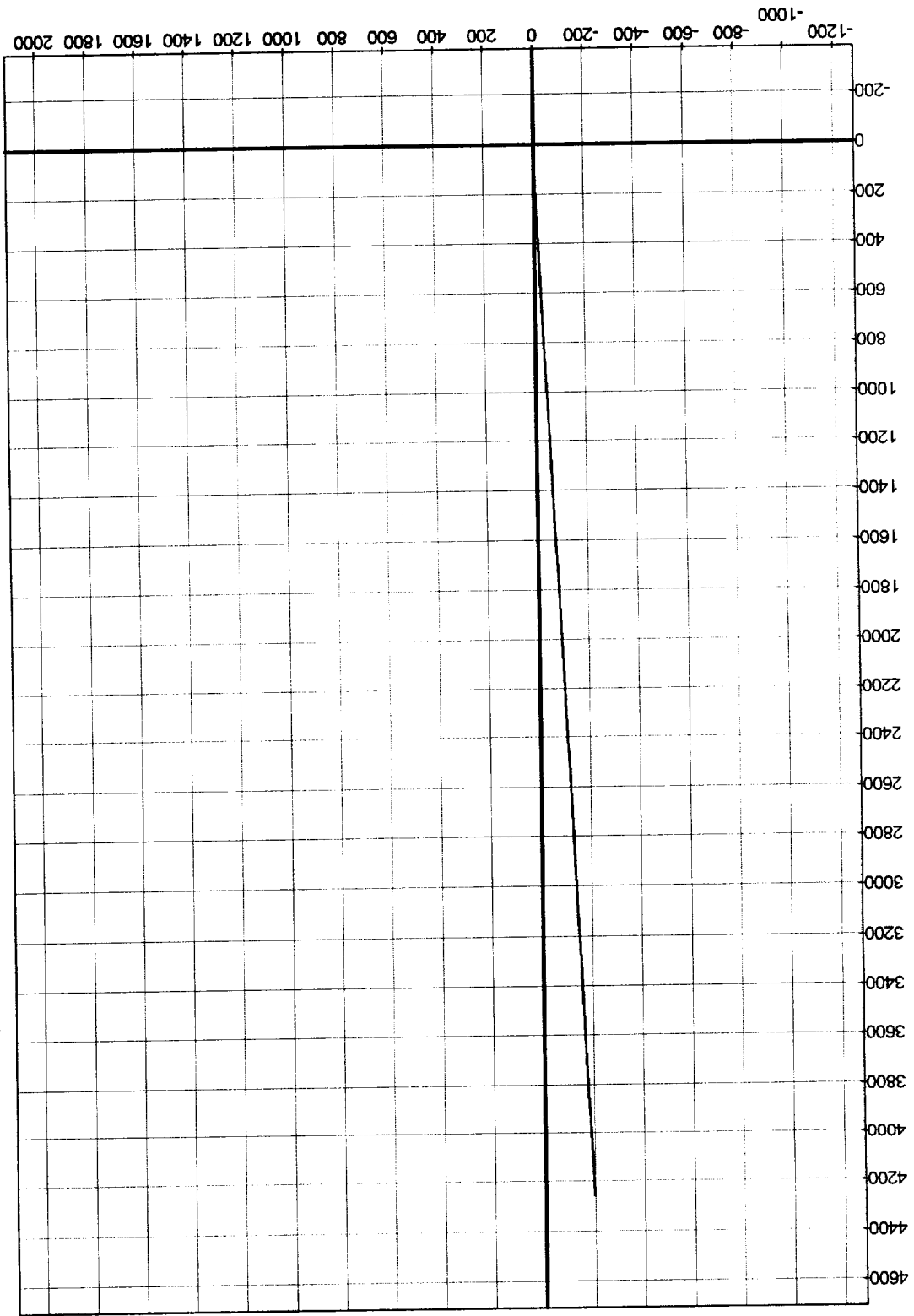
WINSERVE SURVEY CALCULATIONS
Minimum Curvature Method
Vertical Section Plane 357.31
Vertical Section Referenced to offset from Wellhead: EW =.00 Ft, NS=.00 Ft
Rectangular Coordinates Referenced to Wellhead

Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	N-S FT	E-W FT	Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
7525.82	.00	357.31	7525.82	.00	.00	.00	.00	.00	.00
7555.82	7.50	357.31	7555.73	1.96	-.09	1.96	1.96	357.31	25.00
7585.82	15.00	357.31	7585.13	7.80	-.37	7.81	7.81	357.31	25.00
7615.82	22.50	357.31	7613.52	17.43	-.82	17.45	17.45	357.31	25.00
7645.82	30.00	357.31	7640.41	30.67	-1.44	30.70	30.70	357.31	25.00
7675.82	37.50	357.31	7665.33	47.31	-2.22	47.36	47.36	357.31	25.00
7705.82	45.00	357.31	7687.87	67.05	-3.15	67.13	67.13	357.31	25.00
7735.82	52.50	357.31	7707.64	89.57	-4.20	89.67	89.67	357.31	25.00
7765.82	60.00	357.31	7724.30	114.47	-5.37	114.59	114.59	357.31	25.00
7795.82	67.50	357.31	7737.55	141.32	-6.63	141.48	141.48	357.31	25.00
7825.82	75.00	357.31	7747.19	169.68	-7.97	169.87	169.87	357.31	25.00
7855.82	82.50	357.31	7753.04	199.05	-9.35	199.27	199.27	357.31	25.00
7885.82	90.00	357.31	7755.00	228.93	-10.75	229.18	229.18	357.31	25.00
7885.82	90.00	357.31	7755.00	228.93	-10.75	229.18	229.18	357.31	235.97
7985.82	90.00	357.31	7755.00	328.82	-15.44	329.18	329.18	357.31	.00
8085.82	90.00	357.31	7755.00	428.71	-20.13	429.18	429.18	357.31	.00
8185.82	90.00	357.31	7755.00	528.60	-24.82	529.18	529.18	357.31	.00
8285.82	90.00	357.31	7755.00	628.49	-29.51	629.18	629.18	357.31	.00
8385.82	90.00	357.31	7755.00	728.38	-34.20	729.18	729.18	357.31	.00
8485.82	90.00	357.31	7755.00	828.27	-38.89	829.18	829.18	357.31	.00
8585.82	90.00	357.31	7755.00	928.16	-43.58	929.18	929.18	357.31	.00
8685.82	90.00	357.31	7755.00	1028.05	-48.27	1029.18	1029.18	357.31	.00
8785.82	90.00	357.31	7755.00	1127.94	-52.95	1129.18	1129.18	357.31	.00
8885.82	90.00	357.31	7755.00	1227.83	-57.64	1229.18	1229.18	357.31	.00
8985.82	90.00	357.31	7755.00	1327.72	-62.33	1329.18	1329.18	357.31	.00
9085.82	90.00	357.31	7755.00	1427.61	-67.02	1429.18	1429.18	357.31	.00

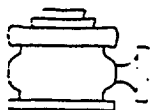
Measured Depth FT	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	Diamond		Vertical Section FT	CLOSURE Distance FT	CLOSURE Direction Deg	Dogleg Severity Deg/100
				N-S FT	E-W FT				
9185.82	90.00	357.31	7755.00	1527.50	-71.71	1529.18	1529.18	357.31	.00
9285.82	90.00	357.31	7755.00	1627.39	-76.40	1629.18	1629.18	357.31	.00
9385.82	90.00	357.31	7755.00	1727.28	-81.09	1729.18	1729.18	357.31	.00
9485.82	90.00	357.31	7755.00	1827.17	-85.78	1829.18	1829.18	357.31	.00
9585.82	90.00	357.31	7755.00	1927.06	-90.47	1929.18	1929.18	357.31	.00
9685.82	90.00	357.31	7755.00	2026.95	-95.16	2029.18	2029.18	357.31	.00
9785.82	90.00	357.31	7755.00	2126.84	-99.85	2129.18	2129.18	357.31	.00
9885.82	90.00	357.31	7755.00	2226.73	-104.54	2229.18	2229.18	357.31	.00
9985.82	90.00	357.31	7755.00	2326.62	-109.23	2329.18	2329.18	357.31	.00
10085.82	90.00	357.31	7755.00	2426.51	-113.92	2429.18	2429.18	357.31	.00
10185.82	90.00	357.31	7755.00	2526.40	-118.61	2529.18	2529.18	357.31	.00
10285.82	90.00	357.31	7755.00	2626.29	-123.30	2629.18	2629.18	357.31	.00
10385.82	90.00	357.31	7755.00	2726.18	-127.99	2729.18	2729.18	357.31	.00
10485.82	90.00	357.31	7755.00	2826.07	-132.68	2829.18	2829.18	357.31	.00
10585.82	90.00	357.31	7755.00	2925.96	-137.37	2929.18	2929.18	357.31	.00
10685.82	90.00	357.31	7755.00	3025.85	-142.06	3029.18	3029.18	357.31	.00
10785.82	90.00	357.31	7755.00	3125.74	-146.75	3129.18	3129.18	357.31	.00
10885.82	90.00	357.31	7755.00	3225.63	-151.44	3229.18	3229.18	357.31	.00
10985.82	90.00	357.31	7755.00	3325.52	-156.13	3329.18	3329.18	357.31	.00
11085.82	90.00	357.31	7755.00	3425.41	-160.82	3429.18	3429.18	357.31	.00
11185.82	90.00	357.31	7755.00	3525.30	-165.51	3529.18	3529.18	357.31	.00
11285.82	90.00	357.31	7755.00	3625.19	-170.20	3629.18	3629.18	357.31	.00
11385.82	90.00	357.31	7755.00	3725.08	-174.89	3729.18	3729.18	357.31	.00
11485.82	90.00	357.31	7755.00	3824.97	-179.58	3829.18	3829.18	357.31	.00
11585.82	90.00	357.31	7755.00	3924.86	-184.27	3929.18	3929.18	357.31	.00
11685.82	90.00	357.31	7755.00	4024.75	-188.96	4029.18	4029.18	357.31	.00
11785.82	90.00	357.31	7755.00	4124.64	-193.65	4129.18	4129.18	357.31	.00
11885.82	90.00	357.31	7755.00	4224.53	-198.33	4229.18	4229.18	357.31	.00
11921.33	90.00	357.31	7755.00	4260.00	-200.00	4264.69	4264.69	357.31	.00

Company: Yates Petroleum Corporation
Lease/Well: Diamond AKI Federal #1-H





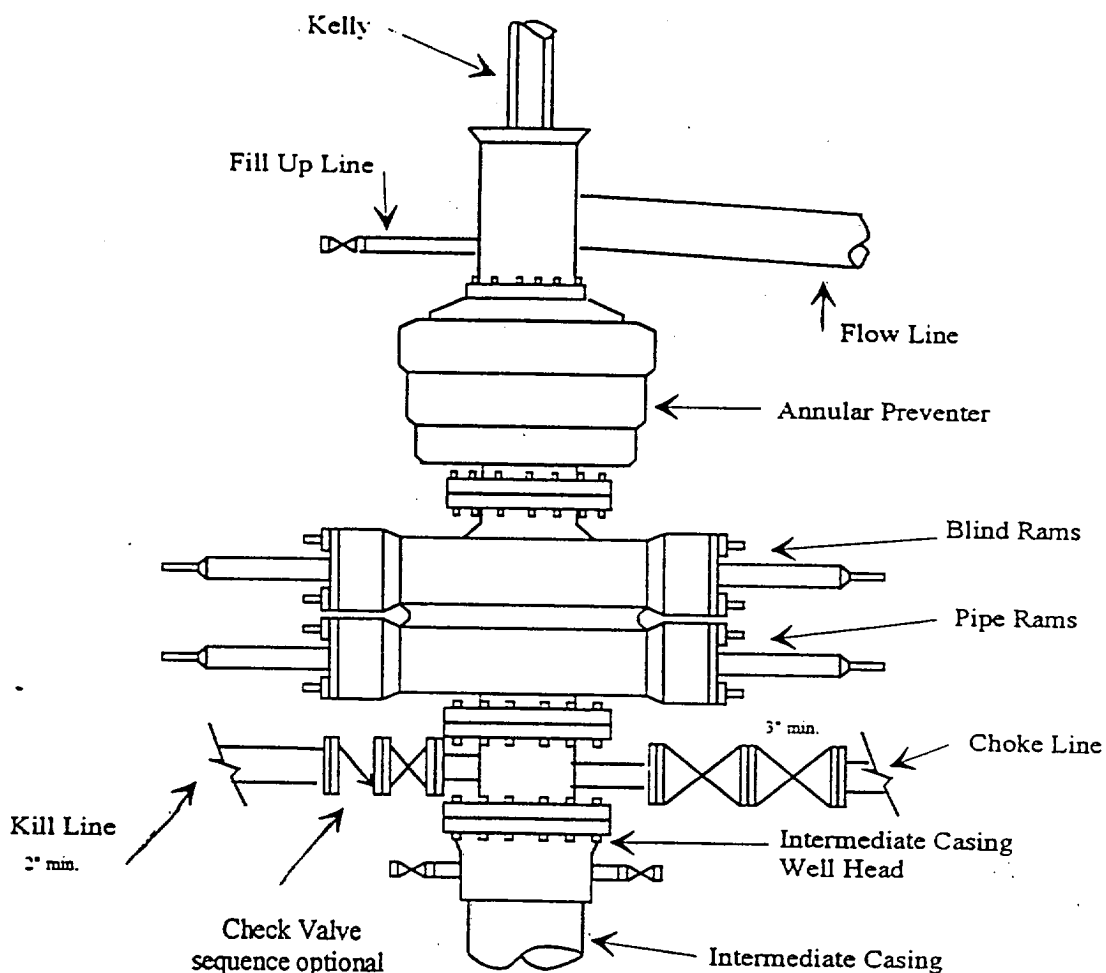




Yates Petroleum Corporation

Typical 3,000 psi Pressure System Schematic Annular with Double Ram Preventer Stack

BOP-3



Typical 3,000 psi choke manifold assembly with at least these minimum features

