

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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM1372
2. Name of Operator YATES PETROLEUM CORPORATION		6. If Indian, Allottee or Tribe Name
Contact TINA HUERTA E-Mail: tina.h@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: 575-748-4168 Fx: 575-748-4585	8. Well Name and No. WARREN ANW FED 1
4. Location of Well (Footage, Sec, T, R, M, or Survey Description) Sec 9 T19S R25E NWSW 1980FSL 660FWL		9. API Well No 30-015-27748-00-S1
		10. Field and Pool, or Exploratory N DAGGER DRAW
		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 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 plans to plugback and recompleat this well as follows: MIRU any safety equipment as needed. POOH with existing production equipment. Run a GR and set a CIBP at 7746' with 35' cement on top. This will place a plug over the open Canyon perforations. Load hole with plugging mud and spot a 35 sx Class "C" cement plug from 5425'-5540'. This will leave a plug across Wolfcamp top and DV tool. WOC and tag, reset plug if necessary. Load hole with plugging mud and spot a 30 sx Class "C" cement plug from 3195'-3365'. Pressure test casing to 3000 psi. Perforate Yeso 2206'-2274'(69) and 2365'-2410'(46). Stimulate as needed. Flow well back and allow well to clean up. TIH with tubing to check for fill and to ensure that the perforations are not covered. TIH with tubing. Swab well until it cleans up. TIH with pumping equipment and turn well over to production.

Schematics and stimulation procedure attached

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL****RECEIVED**

MAR -1 2012

NMOCD ARTESIA

14. I hereby certify that the foregoing is true and correct Electronic Submission #129501 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 01/31/2012 (12DLM0518SE)	
Name (Printed/Typed) TINA HUERTA	Title REG COMPLIANCE SUPERVISOR
Signature (Electronic Submission)	Date 01/30/2012
Accepted for record NMOCD <i>RS</i>	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS	Title PETROLEUM ENGINEER	Date 02/28/2012
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 Carlsbad

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

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

8. If the decision is made to fracture MI RU pumping company to pump a fracture treatment at 80 BPM down the 7" casing limiting the surface treating pressure to 3,500 psig. Set a pop off valve at 3,800 psi.

Treating Schedule

Stage Number	Fluid Type	Stage gal	Prop lb/gal	Conc	lb Proppant		Proppant Type
					Stage	Cumulative	
1	water	2100.	0.00	0.00	0.	0.	----
2	slk-water	42000.	0.00	0.00	0.	0.	----
3	slk-water	4200.	0.20	840.	840.	840.	100 mesh
4	slk-water	4500.	0.00	0.	840.	840.	----
5	slk-water	4200.	0.30	1260.	2100.	2100.	100 mesh
6	slk-water	4500.	0.00	0.	2100.	2100.	----
7	slk-water	4200.	0.40	1680.	3780.	3780.	100 mesh
8	slk-water	4500.	0.00	0.	3780.	3780.	----
9	slk-water	4200.	0.50	2100.	5880.	5880.	100 mesh
10	slk-water	4500.	0.00	0.	5880.	5880.	----
11	slk-water	4200.	0.60	2520.	8400.	8400.	100 mesh
12	slk-water	4500.	0.00	0.	8400.	8400.	----
13	slk-water	4200.	0.70	2940.	11340.	11340.	100 mesh
14	slk-water	4500.	0.00	0.	11340.	11340.	----
15	slk-water	4200.	0.80	3360.	14700.	14700.	100 mesh
16	slk-water	4500.	0.00	0.	14700.	14700.	----
17	slk-water	4200.	0.90	3780.	18480.	18480.	100 mesh
18	slk-water	4500.	0.00	0.	18480.	18480.	----
19	slk-water	4200.	1.00	4200.	22680.	22680.	100 mesh
20	slk-water	8000.	0.00	0.	22680.	22680.	----
21	slk-water	8000.	0.20	1600.	24280.	24280.	40/70 brown
22	slk-water	4400.	0.00	0.	24280.	24280.	----
23	slk-water	8000.	0.30	2400.	26680.	26680.	40/70 brown
24	slk-water	4400.	0.00	0.	26680.	26680.	----
25	slk-water	8000.	0.40	3200.	29880.	29880.	40/70 brown
26	slk-water	4400.	0.00	0.	29880.	29880.	----
27	slk-water	8000.	0.50	4000.	33880.	33880.	40/70 brown
28	slk-water	4400.	0.00	0.	33880.	33880.	----
29	slk-water	8000.	0.60	4800.	38680.	38680.	40/70 brown
30	slk-water	4400.	0.00	0.	38680.	38680.	----
31	slk-water	8000.	0.70	5600.	44280.	44280.	40/70 brown
32	slk-water	4400.	0.00	0.	44280.	44280.	----
33	slk-water	8000.	0.80	6400.	50680.	50680.	40/70 brown
34	slk-water	4400.	0.00	0.	50680.	50680.	----
35	slk-water	8000.	0.90	7200.	57880.	57880.	40/70 brown
36	slk-water	4400.	0.00	0.	57880.	57880.	----
37	slk-water	5600.	1.00	5600.	63480.	63480.	40/70 brown
38	slk-water	12500.	0.00	0.	63480.	63480.	----
39	slk-water	12500.	1.00	12500.	75980.	75980.	16/30 White
40	slk-water	17500.	2.00	35000.	110980.	110980.	16/30 White
41	slk-water	17500.	3.00	52500.	163480.	163480.	16/30 White
42	slk-water	3437.	0.00	0.	163480.	163480.	----

Estimated Surface Treating Pressure = 1,904 psig.
Maximum Surface Treating Pressure = 3,500 psig.

Fluid Specifications:

Slick Water - fresh water with a liquid friction reducer, KCl substitute, nonionic surfactant, liquid biocide agent and oxidizing breaker.

WELL NAME: Warren ANW #1 **FIELD:** Dagger Draw
LOCATION: 1,980' FSL & 660' FEL of Section 09-19S-25E Eddy Co., NM
GL: 3,528' **ZERO:** 18' **KB:** 3,546'
SPUD DATE: 11/20/93 **COMPLETION DATE:** 1/08/94
COMMENTS: API No.: 30-015-27748

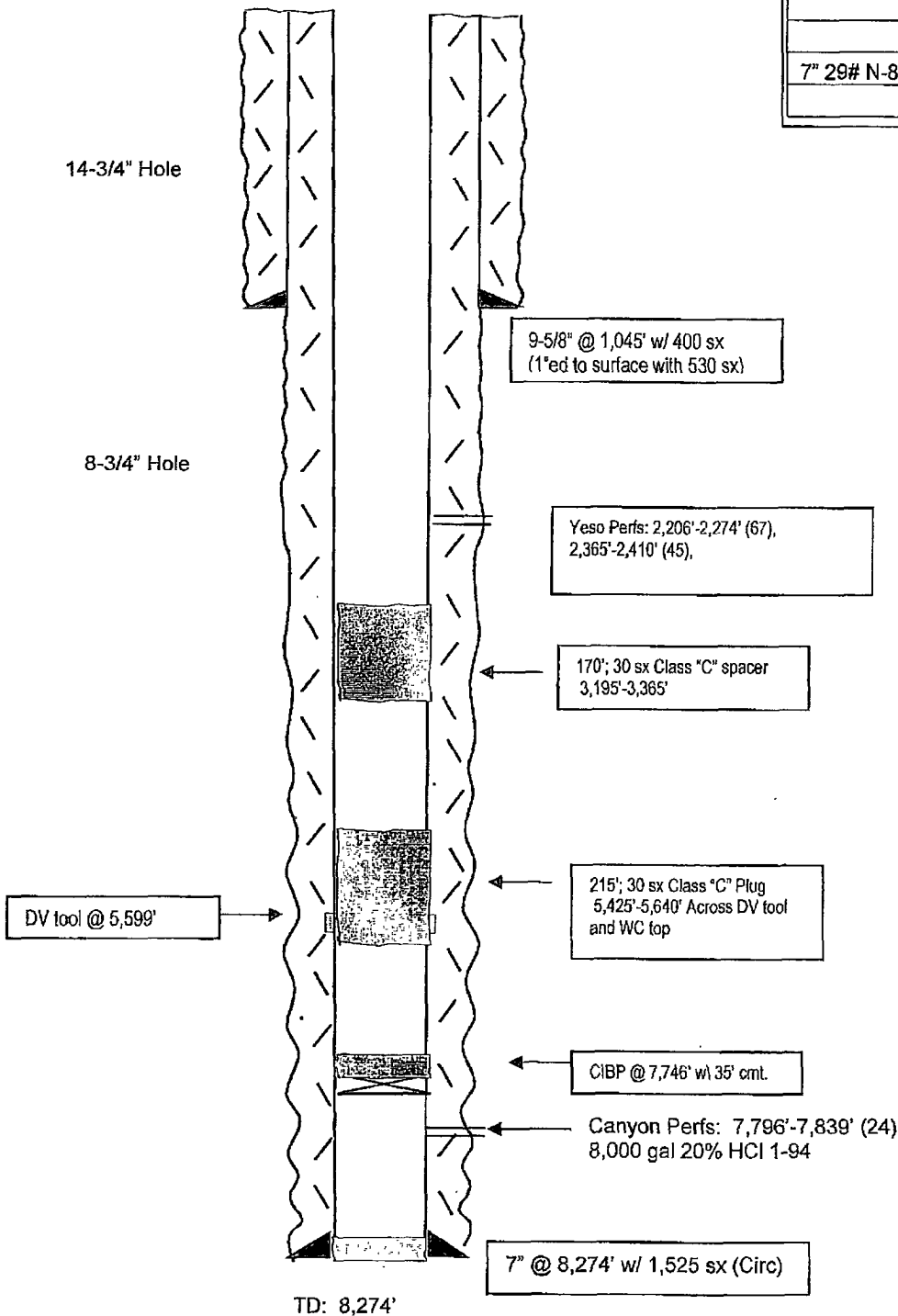
CASING PROGRAM

9-5/8" 36# J-55	1,045'
7" 29# N-80 LT&C	8,274'

After

TOPS

SA	675'
Glorieta	2,105'
WC	5,525'
Canyon	7,650'



Not to Scale
 11/28/11
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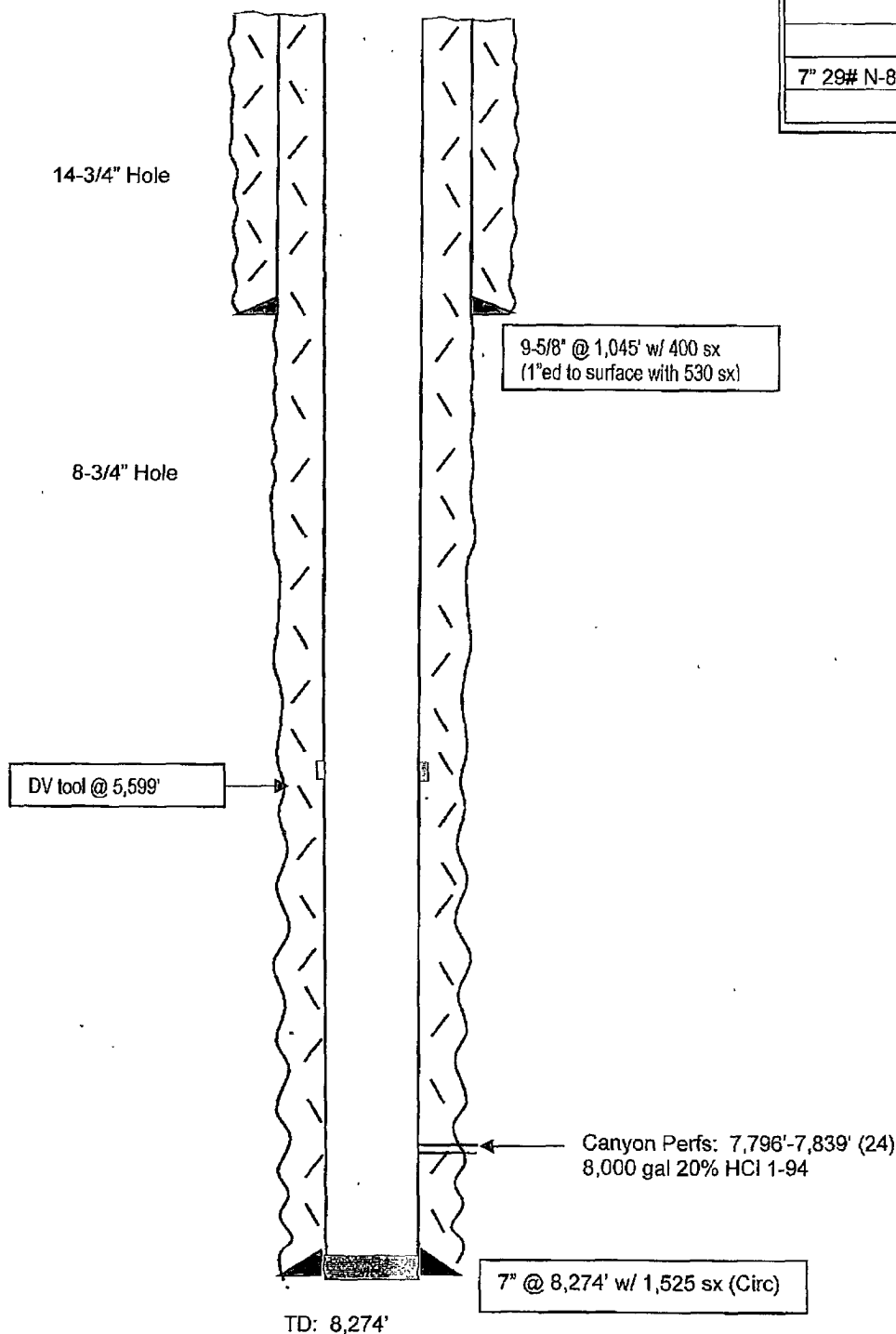
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Warren ANW 1
30-015-27748
Yates Petroleum Corporation
February 28, 2012
Conditions of Approval

1. **Contact BLM 575-361-2822 a minimum of 24 hours prior to performing operations.**
2. **Plug over the Wolfcamp/DV tool shall start at approximately 5650' (a minimum of 50 feet below DV tool). WOC and tag at 5475' or shallower.**
3. Surface disturbance beyond the originally approved pad must have prior approval.
4. Closed loop system required.
5. 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram.
6. Operator to have H2S monitoring equipment on location as H2S has been reported from wells in the area.
7. Completion report and subsequent sundry with well test and wellbore schematic required.

CRW 022812