

**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.  
NMNM12833

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
 YATES PETROLEUM CORPORATION  
 Contact: TINA HUERTA  
 E-Mail: tina@yatespetroleum.com

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

3b. Phone No. (include area code)  
 Ph: 575-748-4168  
 Fx: 575-748-4585

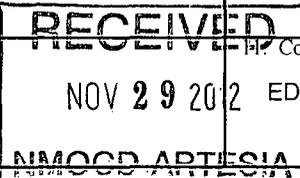
8. Well Name and No.  
 ARROW ARW FEDERAL COM 1

9. API Well No.  
 30-015-28898

10. Field and Pool, or Exploratory  
 PENASCO; WOLFCAMP

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 Sec 11 T19S R25E NWSE 1980FSL 1980FEL

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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Other
	<input type="checkbox"/> Convert to Injection
	<input checked="" type="checkbox"/> Plug Back
	<input type="checkbox"/> Temporarily Abandon
	<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 recompleate 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 recompleation 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.)

REVISED

**SUBJECT TO LIKE APPROVAL BY STATE**

Yates Petroleum Corporation plans plugback and recompleate this well as follows:

- MIRU WSU and all safety equipment as needed. NU BOP.
- POOH with production equipment if any exists.
- Run GR/JB down to 7642', then set a 7" CIBP at 7632' and cap it with 35' Class "H" cement.
- Perforate Wolfcamp 5960'-6180'(77).
- Set an RBP at 6220' and packer at 6100' and acidize with 2000g 20% HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Flush to the bottom perforation and over flush by 75 bbls.
- Move tools to straddle perms 5960'-5994' and acidize with 2000g 20% HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Flush to the bottom



*Eng. Review See Attached COA 11/28/12 - JAM*

*Accepted for record NMOCD JH Date 12/5/12*

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

Electronic Submission #160056 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Carlsbad Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/13/2012 ( )

Name (Printed/Typed) TINA HUERTA Title REG REPORTING SUPERVISOR

Signature (Electronic Submission) Date 11/12/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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.

## Additional data for EC transaction #160056 that would not fit on the form

### 32. Additional remarks, continued

perf and over flush by 75 bbls.

7. Move tools to straddle perms 5760'-5790' and acidize with 2000g 20% HCL with 2g/M gelling agent, cationic surfactant, corrosion inhibitor and iron control additives. Flush to the bottom perf and over flush by 75 bbls.

8. Move the tools to straddle all the perms and swab test and evaluate and consider turning the well over to production or pumping a 30,000g acid frac.

9. POOH with tubing and tools. TIH with TAC, SN and 2-7/8" tubing. TIH with pump and rods and hand well off. Turn well over to production.

Wellbore schematics attached

WELL NAME: Arrow ARW Federal Com # 1 FIELD: Dagger Draw North

LOCATION: 1,980' FSL & 1,980' FEL of Section 11-19S-25E Eddy Co., NM

GL: 3,423' ZERO: \_\_\_\_\_ KB: 3,439'

SPUD DATE: 1/06/98 COMPLETION DATE: 2/13/98

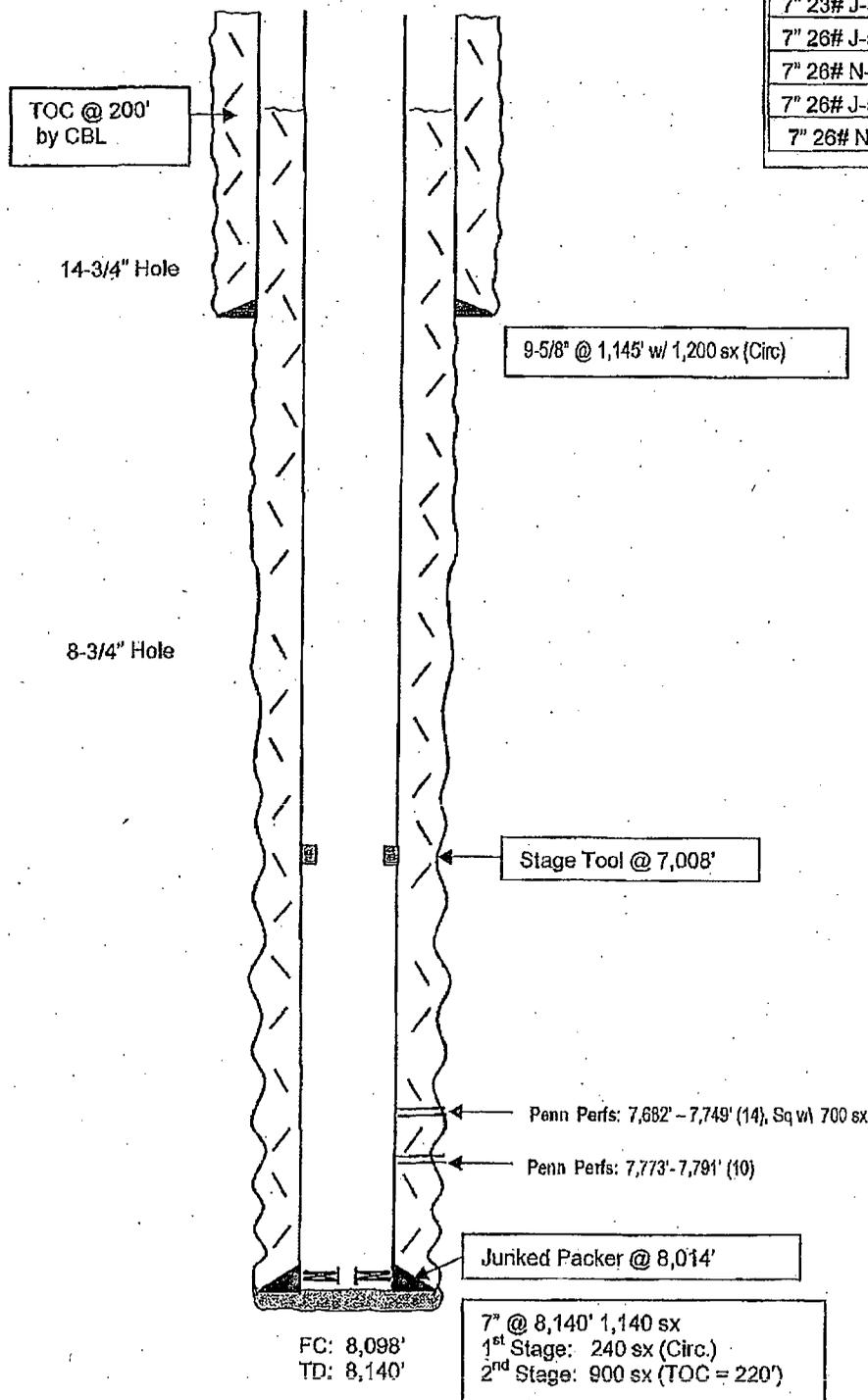
COMMENTS: API No.: 30-015-28898

**CASING PROGRAM**

9-5/8" 36# J55		<b>1,145'</b>
7" 26# J-55 (250)		
7" 23# J-55 (5,121)		
7" 26# J-55 (1,928)		
7" 26# N-80 (20)		
7" 26# J-55 (206)		
7" 26# N-80 (617)		<b>8,140'</b>

**Before**

TOPS	
SA	825'
Glorieta	2,409'
BS	3,754'
WC	5,830'

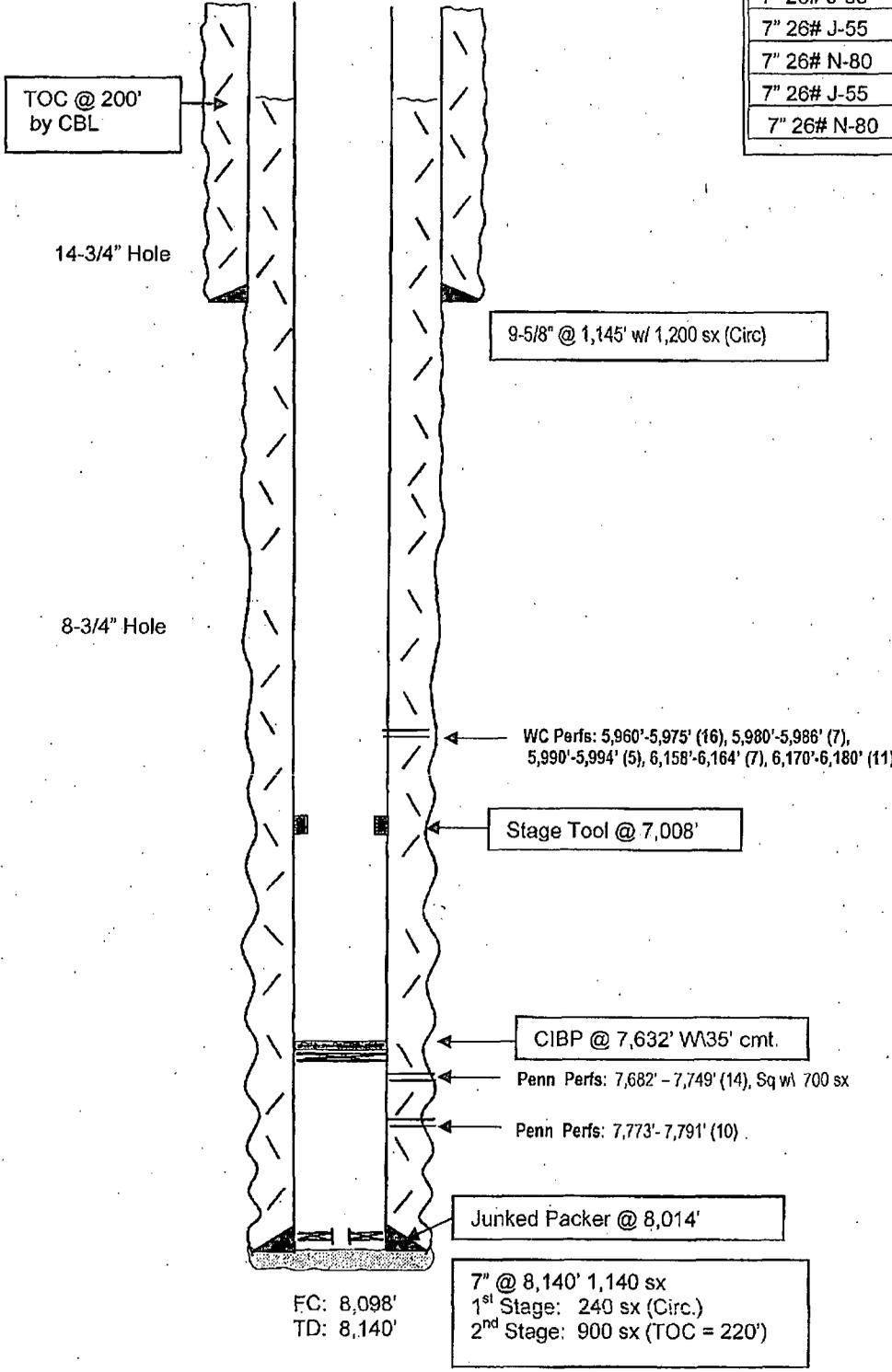


Not to Scale  
6/14/12  
HII

WELL NAME: Arrow ARW Federal Com # 1 FIELD: Dagger Draw North  
 LOCATION: 1,980' FSL & 1,980' FEL of Section 11-19S-25E Eddy Co., NM  
 GL: 3,423' ZERO: \_\_\_\_\_ KB: 3,439'  
 SPUD DATE: 1/06/98 COMPLETION DATE: 2/13/98  
 COMMENTS: API No.: 30-015-28898

**CASING PROGRAM**

9-5/8" 36# J55	<b>1,145'</b>
7" 26# J-55 (250)	
7" 23# J-55 (5,121)	
7" 26# J-55 (1,928)	
7" 26# N-80 (20)	
7" 26# J-55 (206)	
7" 26# N-80 (617)	<b>8,140'</b>



**After**

**TOPS**

SA	825'
Glorieta	2,409'
BS	3,754'
WC	5,830'

**Not to Scale**  
 6/15/12  
 Hill

## Conditions of Approval

**Yates Petroleum Corporation  
Arrow ARW Federal Com 1  
API 3001528898, T19S-R25E, Sec 11**

November 28, 2012

1. The communization agreement for this well (NM100705) does not include the Wolfcamp pay. Amendments to that agreement may be necessary. Check For: 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.
2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Notify BLM 575-200-7902 before plug back procedures. The procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
5. Surface disturbance beyond the existing pad must have prior approval.
6. 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.
7. Functional H<sub>2</sub>S monitoring equipment shall be on location.
8. A minimum of 3000 (3M) BOPE shall 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. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M) Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
9. 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.
10. 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.

11. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. The minimum pumped volume of 25 sacks of cement slurry is to exceed a 100ft cement plug across the drilled wellbore. Add 10% to the 100ft slurry volume for each 1000ft of plug depth when calculations indicate the need. 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.
12. **Step 3 - Set a balanced (25sx minimum) Class "H" plug on the CIBP to be set at 7632. Tag this plug with tubing at 7452 or higher, covering the Canyon formation top.**
13. **Provide BLM with an electronic copy (Adobe Acrobat Document) cement bond log record from 6500 or below to top of cement. The CBL may be attached to a [pswartz@blm.gov](mailto:pswartz@blm.gov) email.**
14. **Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.**
15. **Cover the DV Tool (7008) with a balanced cement plug (25sx minimum) set at 7058. Tag this plug at 6942 or higher.**
16. **After setting the top plug and before perforating, perform a BLM PET witnessed (charted) casing integrity test of 700 psig. Pressure leakoff may require correction for approval. Include a copy of the chart in the subsequent sundry for this workover.**
17. File intermediate **subsequent sundry** Form 3160-5 within 30 days of any interrupted workover procedures and a complete workover subsequent sundry.
18. Submit C-102 with BLM Form 3160-4 **Recompletion Report** within 30 days of the date all BLM approved procedures are complete.
19. **Review Comm Agreement requirements.**

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.