

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<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5. Lease Serial No.<br>NMNM114974                              |
| 2. Name of Operator<br>YATES PETROLEUM CORPORATION   |  | 6. If Indian, Allottee or Tribe Name                           |
| 3a. Address<br>105 S. 4TH ST ARTESIA<br>NEW MEXICO, NM 88210   |  | 7. If Unit or CA/Agreement, Name and/or No.                    |
| 3b. Phone No. (include area code)<br>Ph: 575-748-4211  |  | 8. Well Name and No.<br>BAROQUE BTQ FEDERAL COM 1H             |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br>Sec 6 T19S R30E NWSE 1980FSL 2440FEL                   |  | 9. API Well No.<br>30-015-43148                                |
|  |  | 10. Field and Pool, or Exploratory<br>UNDESIGNATED BONE SPRING |
|  |  | 11. County or Parish, and State<br>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 |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Change to Original / PD                   |
|  | <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 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.)

Yates Petroleum Corporation respectfully requests to make changes to the well from the original APD as per the attached paperwork.

Thank you.

Accepted for record  
NMOC

NM OIL CONSERVATION  
ARTESIA DISTRICT

NOV 19 2015

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

RECEIVED

|  |                          |
|--|--------------------------|
| 14. I hereby certify that the foregoing is true and correct.   |                          |
| Electronic Submission #323641 verified by the BLM Well Information System<br>For YATES PETROLEUM CORPORATION, sent to the Carlsbad   |                          |
| Name (Printed/Typed) NAOMI G SAIZ  | Title WELL PLANNING TECH |
| Signature (Electronic Submission)  | Date 11/16/2015          |
| 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.                                  |                          |
| 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. |                          |
| ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **   |                          |

APPROVED  
PETROLEUM ENGINEER  
NOV 17 2015  
Kenneth Rennick  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

# **PECOS DISTRICT CONDITIONS OF APPROVAL**

**Barboque BTQ Federal Com 1H  
API: 30-015-43148  
Yates Petroleum Corporation**

**Original COA still applies except for the replacement of the fill of cement requirement for the 5 1/2 production casing. As well as the addition of the conditions to use the flex line and the Multi-Bowl Wellhead in the Pressure Control Section.**

## **CASING**

1. The minimum required fill of cement behind the 5 1/2 inch production casing is:
  - ☒ Cement should tie-back at least **500** feet into previous casing string. Operator shall provide method of verification.

## **PRESSURE CONTROL**

2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

### **3. Wellhead:**

#### **Option 1:**

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

#### **Option 2 – If Losses are Encountered:**

Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.

**KGR 11172015**

**Baroque BTQ Federal Com #1H**

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

**Yates Petroleum Corporation also requests the use of Multi-Bowl Wellhead. If losses are encountered then we will run the wellhead as approved in the APD. Running procedure has been sent in via email to Ed Fernandez 10/7/15.**

**Primary Production Cement:**

**It is requested to cement the production string in a single stage. Cement will be brought to 500' into previous casing string as follows:**

Lead w/ 505sx LiteCrete (YLD 2.85, WT 9.5, 12 gal/sk)

Tail w/1450sx PVL (YLD 1.83, WT 13, 9.3 gal/sk)

TOC approx. 2800'. Excess calculated at 35%.

**Yates Petroleum Corporation respectfully requests a variance for the use of a flex hose between the wellhead and the manifold. Certification and specs are attached.**



Midwest Hose  
& Specialty, Inc.

Certificate of Warranty, Schedule B, ECCN, Origin and CE Marking

January 27, 2014

We hereby certify that the material shipped for Nomac Drilling Corporation purchase order 333594 is new and unused and is free of any defects as to their design, material and workmanship.

We also warrant the goods to be consistent with the generally accepted standards of the material of the type ordered. Which is API Spec 7K.

The goods are warranted for a period of 1 year (12 months) from the date of delivery.

We certify that the material of this order is of American origin.

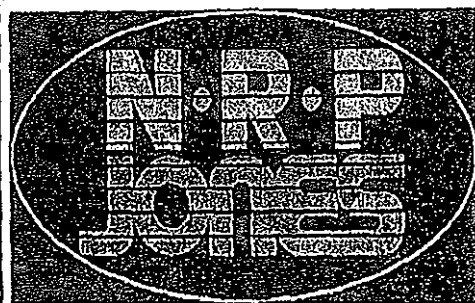
ECCN - EAR99

Schedule B -- 4009.22.0500

EIN-731185740

Thank You,  
Juan Ortiz

Asset # 23558



255 W 1100 N  
Nephi, UT 84648  
1-800-453-1480

## Certificate of Compliance

Date: 2014-01-17

Test #:

Entered by: bwaniz

Asset Desc: 10,000/15,000

Tested by: bwaniz

Asset #: NLD-009R

Chip ID: E004010079CF031D

Owner: NRP Jones

Initial Location: SiteWNEPHI

Witness: dnelson

City:

| Asset Information    |                   |
|----------------------|-------------------|
| Manufacturer         | NRP JONES         |
| Extended Desc        | N/A               |
| Model                | 5040-4840-B       |
| Application Group    | Choke & Kill      |
| Date of Mfr/Assembly | 2014-01-17        |
| Assembled By         | Brad Wenz         |
| Orig Date Sold       | 2014-01-04        |
| Hose Date of Mfr     | 2014-01-04        |
| Locn Desc            | N/A               |
| Inside Dia.          | 3"                |
| Length               | 40'               |
| Cut Length           | N/A               |
| Working Pressure     | 10000 PSI         |
| Test Pressure        | 15000 PSI         |
| Coupling A           | 26-0054           |
| Coupling A Model     | N/A               |
| Attach Method A      | Built-In          |
| Coupling A Add-On    | 4 1/8" RTJ FLANGE |
| Coupling B           | 26-0054           |
| Coupling B Model     | N/A               |
| Attach Method B      | Built-In          |
| Coupling B Add-On    | 4 1/8" RTJ FLANGE |
| Factory Ref #        | M0102747          |
| Distributor Ref #    | N/A               |
| End User Ref #       | N/A               |
| Standard             | N/A               |
| Notes                | N/A               |

| Operation & Test Information |                            |
|------------------------------|----------------------------|
| Order #                      | M0102747                   |
| Cust PO#                     | N/A                        |
| Serial Number                | NLD-009R                   |
| Test Pressure                | 15,000 PSI                 |
| Test Time                    | 15 MIN.                    |
| Test Number                  | N/A                        |
| Inspection Instruction       | N/A                        |
| Certification Result         | PASS                       |
| Generate Alert?              |                            |
| Comments                     | N/A                        |
| TimeStamp                    | 2014-01-17 13:16:56 -07:00 |



