

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

OCD-AR

S

Serial No.

NM-81953

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation 025575

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)

330' FNL and 330' FWL  
Section 3, T23S-R31E

8. Well Name and No.

Glow Worm ALX Federal #12

9. API Well No.

30 015 35314

10. Field and Pool, or Exploratory Area

Wildcat Delaware

11. County or Parish, State

Eddy County, New Mexico

12. CHECK THE 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 Amend |
|  | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | Surface Use                                     |
|  | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input type="checkbox"/> Water Disposal            | Plan.   |

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 wishes to amend the surface use plan to include one (1) 150' x 150' freshwater reservoir. The freshwater reservoir will be used to furnish frac water needed to stimulate Yates' wells located in the north half of Section's 3 and 4, T23S-R31E and other possible future wells in the area.

The freshwater reservoir will be located approximately 50 feet off the southside of the captioned well location.

An archaeological survey has been completed a copy of the report is attached for your convenience.

Please note attached plat.

Thank you.

ACCEPTED FOR RECORD

SEP 10 2008

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

Name (Printed/Typed)

Cy Cowan

Title

Gerry Guye, Deputy Field Inspector  
NMOC District II Artesia  
Regulatory Agent

Signature

Date

8/28/2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

/s/ Don Peterson

FIELD MANAGER

Date

SEP 08 2008

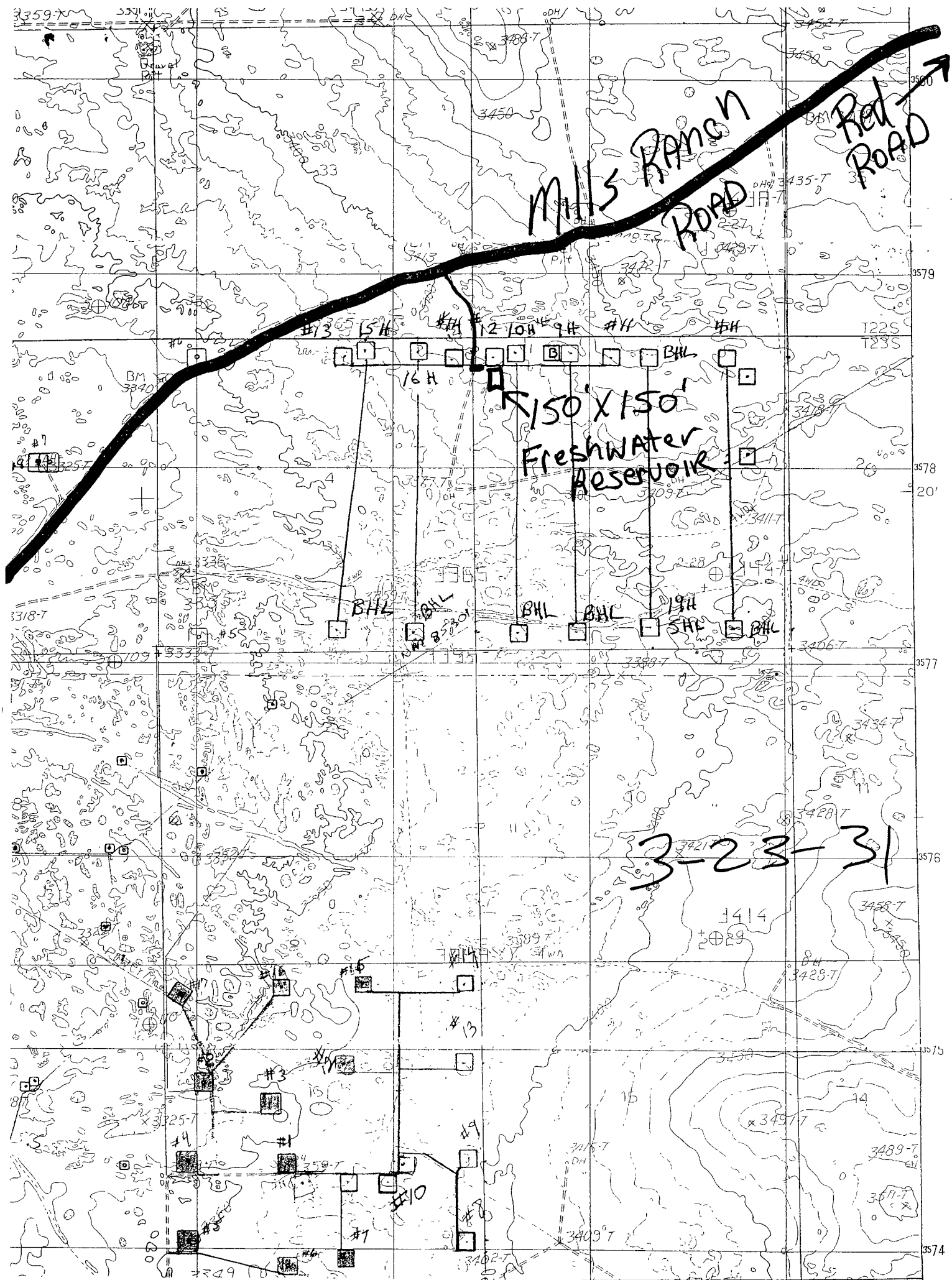
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CARLSBAD FIELD 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)



# NMCRIS INVESTIGATION ABSTRACT FORM (NIAF)

|  |   |  |   |
|--|---|--|---|
| 1. NMCRIS Activity No.:<br>111302  | 2a. Lead (Sponsoring) Agency:<br>BLM, CFO | 2b. Other Permitting Agency(ies):  | 3. Lead Agency Report No.:  |
| 4. Title of Report: Glowworm "AIX" Fresh Water Reservoir.<br><br>Author(s) Ann and Danny Boone   |   |  | 5. Type of Report<br><input checked="" type="checkbox"/> Negative <input type="checkbox"/> Positive |
| 6. Investigation Type<br><input type="checkbox"/> Research Design <input checked="" type="checkbox"/> Survey/Inventory <input type="checkbox"/> Test Excavation <input type="checkbox"/> Excavation <input type="checkbox"/> Collections/Non-Field Study<br><input type="checkbox"/> Overview/Lit Review <input type="checkbox"/> Monitoring <input type="checkbox"/> Ethnographic study <input type="checkbox"/> Site specific visit <input type="checkbox"/> Other |   |  |   |
| 7. Description of Undertaking (what does the project entail?): The project is a block area estimated to be 150 by 150 feet for a fresh water reservoir. As the north end of the reservoir survey area butts up against the GLOWworm "AIX" well No. 12 pad, access will be from the pad. Construction methods are unknown   |   |  |   |
| 8. Dates of Investigation: (from: 22 Aug. 08 to:            )  |   | 9. Report Date: 25 Aug. 08   |   |
| 10. Performing Agency/Consultant: Boone Archaeological Services, LLC<br>2030 North Canal, Carlsbad, NM 88220<br>575-885-1352<br>Principal Investigator: Danny Boone    Field Supervisor: Danny Boone<br>Field Personnel Names: Danny Boone   |   | 11. Performing Agency/Consultant Report No.:<br>BAS 08-08-21                             |   |
|  |   | 12. Applicable Cultural Resource Permit No(s):<br>BLM: 190-2920-08-K<br>State: NM-08-157 |   |
| 13. Client/Customer (project proponent): Yates Petroleum Corporation<br>Contact: Cy Cowan<br>Address: 105 South Fourth Street<br>Artesia, NM 88210<br>Phone: (505) 748-1471  |   | 14. Client/Customer Project No.:   |   |
| 15. Land Ownership Status ( <i>Must be indicated on project map</i> ):   |   |  |   |
| Land Owner   | Acres Surveyed                            | Acres in APE   |   |
| BLM  | 1.9 (+/-)                                 | 0.52 (+/-)   |   |
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |
|  |   |  |   |
| TOTALS   | 1.9 (-/+)                                 | 0.52 (-/+)   |   |
| 16. Records Search(es):  |   |  |   |
| Date(s) of ARMS File Review: 18 Aug. 08  |   | Name of Reviewer(s): Ann Boone   |   |
| Date(s) of NR/SR File Review:  |   | Name of Reviewer(s):   |   |
| Date(s) of Other Agency File Review: 18 Aug. 08  |   | Name of Reviewer(s): Danny Boone    Agency: BLM, CFO                                     |   |
| Findings: No previous recorded sites were located within 0.25 mile, LA 54381, 143717, 54386, 54389, 143700, 54379, 54378, 143701, 100672, 83671, 16634, 54369, 16682, 16633, 54370, 54388, 14309, 54380, 54377, 54376, 54387, 54383, 54382 and possibly others are within 1.0 mile.  |   |  |   |
| 17. Survey Data: a. Source Graphics <input checked="" type="checkbox"/> NAD 27 <input type="checkbox"/> NAD 83   |   |  |   |
| <input checked="" type="checkbox"/> USGS 7.5' (1:24,000) topo map <input type="checkbox"/> Other topo map, Scale:  |   |  |   |
| <input checked="" type="checkbox"/> GPS Unit    Accuracy <input type="checkbox"/> <1.0m <input checked="" type="checkbox"/> 1-10m <input type="checkbox"/> 10-100m <input type="checkbox"/> >100m  |   |  |   |
| b. USGS 7.5' Topographic Map Name  |   | USGS Quad Code   |   |
| Los Medanos, NM    (Prov. Ed. 1985)  |   | 32103-C7   |   |
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|  |   |  |   |
| c. County(ies): Eddy   |   |  |   |

### **Frac Pit Reclamation Stipulations:**

The fluids and mud must be dry in the frac pit before backfilling and recontouring the pit area. The operator must remediate any subsidence areas that develop from closing the pit. The plastic pit liner must be removed and properly disposed of at a site authorized landfill before beginning to recontour the site.

Any Caliche that may have been used must be removed from the surface. Recontour the surface to match surrounding terrain. Scarify ground to a depth of at least 12 inches before redistributing topsoil. Redistribute topsoil on the site to a depth equivalent to pre-disturbance.

The disturbed areas are to be disked on contour, cross-disked and harrowed. The BLM Seed Mix 2 (LPC) for Sandy Sites (see below) are to be drilled on the contour, or by other approved methods. If broadcast seeding, then double the rate for the seed mix. Planting is to be followed by rolling or otherwise lightly packing over the seedbed.

Preferred timing of seeding should coincide with early spring or fall before freeze up, to take advantage of available ground moisture. In some cases it may be necessary to reseed during breaks in monsoonal weather.

In order to plan for successful reclamation, the operator shall notify the Inspection and Enforcement Department of the Carlsbad Field Office before placement of production facilities such as tanks, heaters, pipeline risers and gunbarrel separators around this area.

Soil fertility testing and the addition of soil amendments may be required to stabilize some disturbed lands.

Mulching, fertilizing, and noxious weed control are recommended for successful reclamation. It is the operator's responsibility to monitor the site, take the necessary steps to ensure reclamation success, and to notify the Carlsbad Field Office when success is achieved.

The reclamation effort will be evaluated as successful if the previously disturbed area is stabilized, all potential water erosion is effectively controlled and the vegetative stand is established with at least a 70% cover when compared to similar adjacent undisturbed areas.

### **Seed Mixture for LPC Sand/Shinnery Sites**

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill

and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

| <u>Species</u>      | <u>lb/acre</u> |
|---------------------|----------------|
| Plains Bristlegrass | 5lbs/A         |
| Sand Bluestem       | 5lbs/A         |
| Little Bluestem     | 3lbs/A         |
| Big Bluestem        | 6lbs/A         |
| Plains Coreopsis    | 2lbs/A         |
| Sand Dropseed       | 1lbs/A         |

\*\*Four-winged Saltbush      5lbs/A

\* This can be used around well pads and other areas where caliche cannot be removed.

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

Please notify the Carlsbad Field Office, Bureau of Land Management at least 5 days prior to any and all reclamation being conducted on the Frac pit. Contact either Mr. Paul Evans at 505-234-5977 or Jim Amos at 505-234-5909.

Timing Limitation Stipulation/Condition of Approval for Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.