

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Oil Cons. N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

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

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.

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) 748-1473

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

1980' FNL and 810' FEL
Section 26, T20S-R24E

5. Lease Serial No.

NM-045275

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Conoco AGK Deep Federal #8

9. API Well No.

30-015-26951

10. Field and Pool, or Exploratory Area

Wildcat Morrow

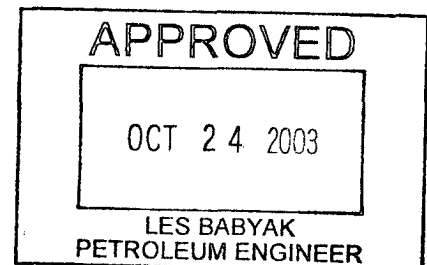
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 Deepen existing well.
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 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.)

Please see attached drilling prognosis.

Thank you.



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

Name (Printed/Typed)

Cy Cowan

Title

Regulatory Agent

Signature

Date

October 6, 2003

THIS SPACE FOR FEDERAL OR STATE 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, 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 IV
2040 South Pacheco, Santa Fe, NM 87606

Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1969
Instruction on back
appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

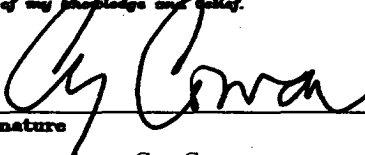
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

API Number		Pool Code	Pool Name Wildcat Morrow
Property Code	Property Name Conoco AGK Deep Federal Deep		Well Number 8
OCRD No. 025575	Operator Name YATES PETROLEUM CORPORATION		Elevation 3642'

UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South lns	Feet from the	East/West lns	County
H	26	20S	24E		1980'	North	810'	East	Eddy

UL or lot No.	Section	Township	Range	Lot Lin	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
320									

		NM-045275	1980'	810'	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature _____ Cy Cowan Printed Name _____ Regulatory Agent Title _____ October 6, 2003 Date _____
					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. REFER TO ORIGINAL PLAT. Date Surveyed _____ Signature & Seal of Professional Surveyor _____ Certificate No. Herschel L. Jones RLS 3640 GENERAL SURVEYING COMPANY

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

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 CONOCO AGK FEDERAL		Well No. 8
Unit Letter H	Section 26	Township 20 SOUTH	Range 24 EAST	County EDDY COUNTY, NM	
Actual Footage Location of Well: 1980 feet from the NORTH line and 810 feet from the EAST line					
Ground level Elev. 3642.	Producing Formation Canyon		Pool South Daga Draw Upper Penn	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.?

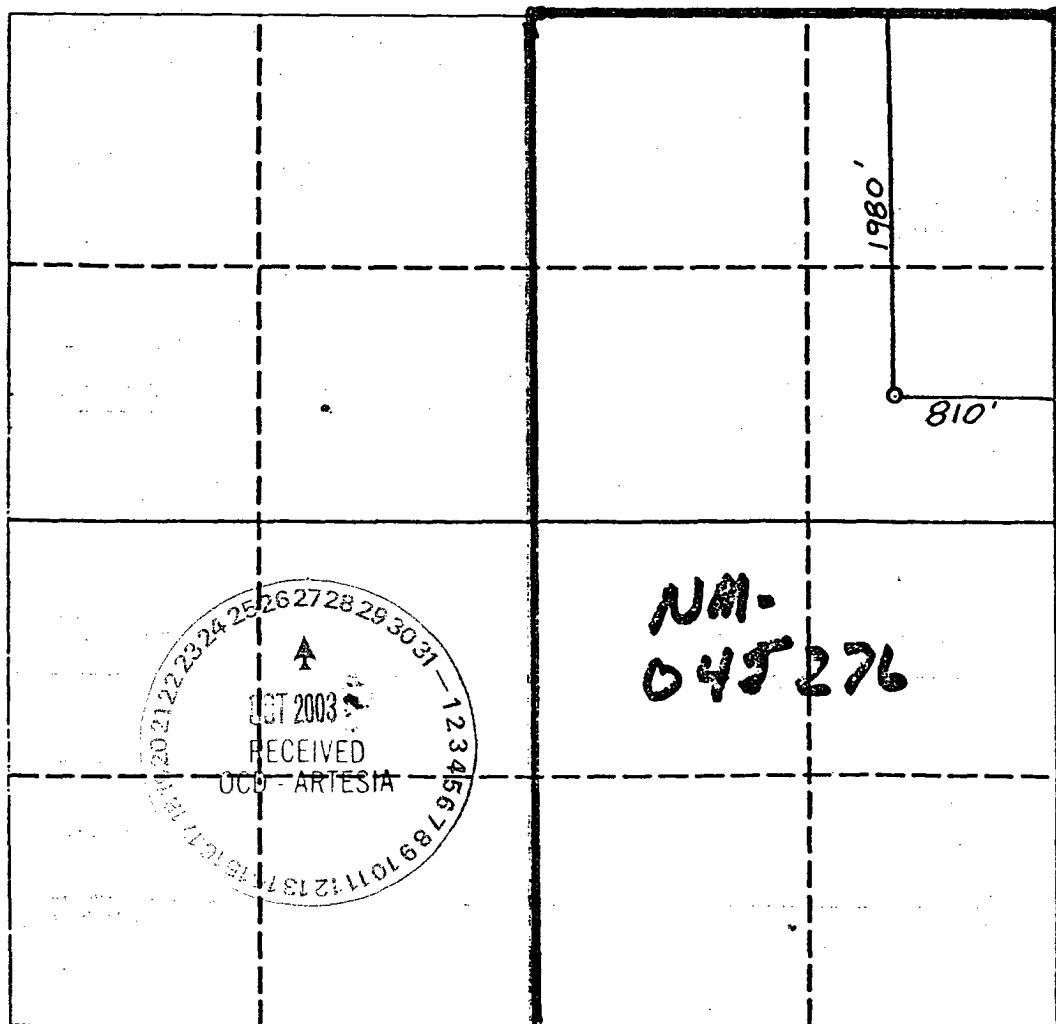
☐ Yes

☒ 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.



OPERATOR CERTIFICATION

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

Signature

Printed Name

Ken Beardemphl

Position

Landman

Company

YATES PETROLEUM CORPORATION

Date

January 24, 1992

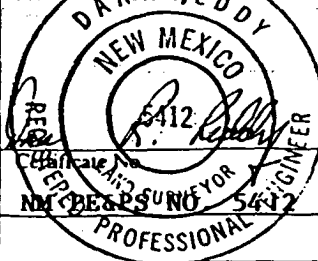
SURVEYOR CERTIFICATION

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

Date Surveyed

JANUARY 17, 1992

Signature & Seal of Professional Surveyor



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

YATES PETROLEUM CORPORATION
Conoco AGK Deep Federal #8 (Deepening)
1980' FNL & 810' FEL
Section 26-T20S-R24E
Eddy County, New Mexico

1. The estimated tops of geologic markers are as follows:

Strawn	8300'
Atoka	8810'
Upper Morrow	9215'
Middle Morrow	9250'
Lower Morrow	9410'
Base Morrow	9450'
TD	9600'

2. The estimated depths at which anticipated water, oil or gas formations are expected to be encountered:

Water: 250'
Oil or Gas: • 8300'-9600'

3. Pressure Control Equipment: BOPE will be installed on the 7" casing and rated for 3000# BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. See Exhibit B.

Auxiliary Equipment:

- A. Auxiliary Equipment: Kelly cock, pit level indicators, flow sensor equipment, and a sub with full opening valve to fit the drill pipe and collars will be available on the rig floor in the open position at all times for use when kelly is not in use.

4. THE PROPOSED CASING AND CEMENTING PROGRAM:

- A. Casing Program: (All New)

<u>Hole Size</u>	<u>Casing Size</u>	<u>Wt./Ft</u>	<u>Grade</u>	<u>Thread</u>	<u>Interval</u>	<u>Length</u>
17 1/2"	13 3/8"	54.5#	J55	ST&C	0-265	265' In Place.
12 1/4"	9 5/8"	36#	J55	ST&C	0-1050'	1050' In Place.
8 3/4"	7"	23# +26#	J55	ST&C	0-8140'	8140' In Place.
6 1/8"	4 1/2" Liner	11.6#	HPC-110	LT&C	0-9600'	9600'

7600'

Minimum Casing Design Factors: Collapse 1.125, Burst 1.0, Tensile Strength 1.8

- B. CEMENTING PROGRAM:
Surface casing: 450 sx (in place).
Intermediate casing: 640 sx (in place).
Production casing: 1350 sx (in place).
Production Liner: 250 sx Super H Modified.

Conoco AGK Deep Federal #8
Page 2

5. Mud Program and Auxiliary Equipment:

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Viscosity</u>	<u>Fluid Loss</u>
0-8140'	Cut Brine/Existing Fluid	8.9-9.2	30-32	N/C
8140'-8750'	Cut Brine/Starch	9.2-9.5	30-32	N/C
8750'-TD'	SaltGel/Starch	9.5-9.8	32-36	<10cc

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blow out will be available at the well site during drilling operations. Mud will be checked hourly by rig personnel.

6. EVALUATION PROGRAM:

Samples: 10' samples out from intermediate casing to TD.
Logging: Platform Express/HALS/NGT,FMI.
Coring: None anticipated
DST's: None.

7. Abnormal Conditions, Bottom hole pressure and potential hazards:

Anticipated BHP:

From: 0 To: 9600' Anticipated Max. BHP: 4900 PSI

Abnormal Pressures Anticipated: None

Lost Circulation zones anticipated: None

H2S Zones Anticipated: None

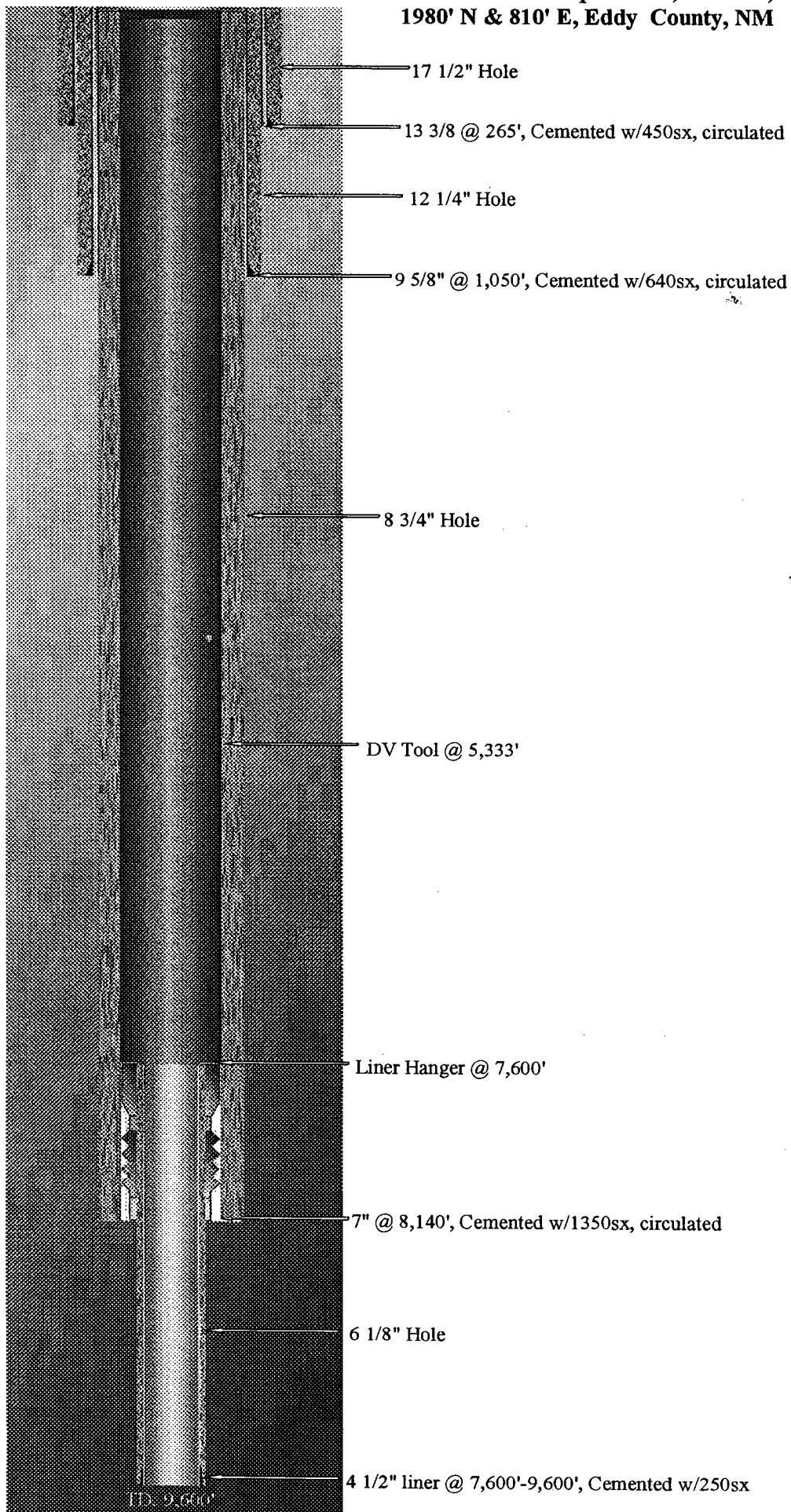
Maximum Bottom Hole Temperature: 178 F

8. ANTICIPATED STARTING DATE:

Plans are to re-enter this well as soon as possible after receiving approval. It should take approximately 10 days to re-enter this well with completion taking another 20 days.

"WELLBORE AFTER RE-ENTRY"

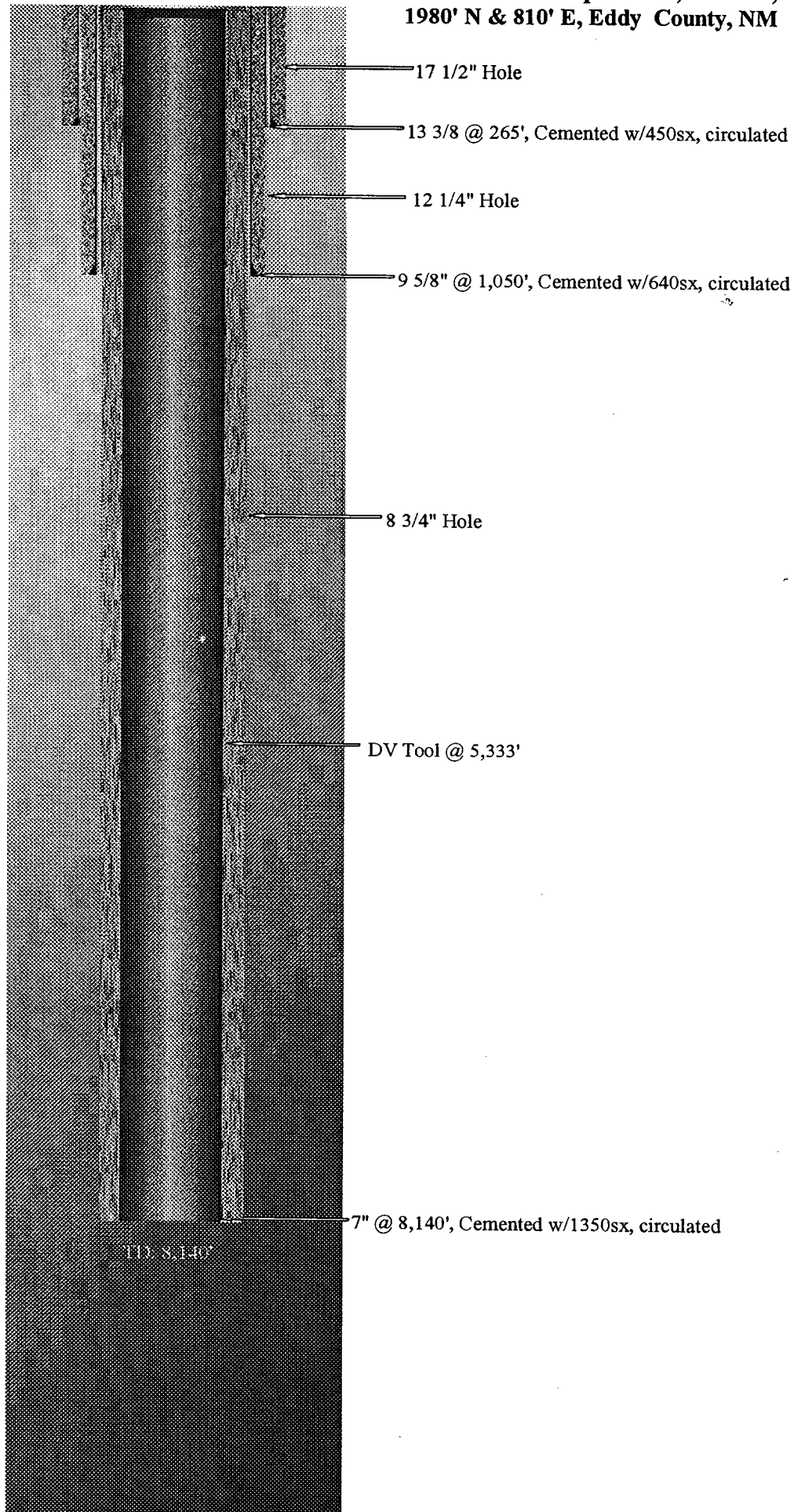
**YATES PETROLEUM CORPORATION
Conoco AGK Deep Fed. #8, SEC. 18, T21S-R24E
1980' N & 810' E, Eddy County, NM**



Sketch not to scale

"WELLBORE BEFORE RE-ENTRY"

YATES PETROLEUM CORPORATION
Conoco AGK Deep Fed. #8, SEC. 18, T21S-R24E
1980' N & 810' E, Eddy County, NM



Sketch not to scale