

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

HOBBES

SEP 02 2012

SUBMIT IN TRIPLICATE - Other instructions on reverse

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NM-121957
2. Name of Operator Yates Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 105 South Fourth Street, Artesia, NM 88210	3b. Phone No. (include area code) (575) 748-1471	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec, T., R., M. or Survey Description) Surface: 330' FSL & 330' FEL, BHL: 330' FNL & 660' FEL, Section 8, T21S-R32E, Unit Letter (Surface P) (BHL A)		8. Well Name and No. Capella BOP Federal #2H
		9. API Well No 30-025-39529
		10. Field and Pool, or Exploratory Area Delaware, Brushy Canyon
		11. County or Parish, State Lea, New Mexico

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 checked="" 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 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.)

Yates Petroleum Corporation respectfully requests permission to change the Production Cement as follows:
Production string will be cemented in three stages with a DV tool at approx. 7200' and a Packer Stage tool at approx. 4450'.
Stage 1: Lead - 1010sx of PVL (YLD 1.41 WT 13) 12965'-7200'
35% excess
Stage 2: Lead - 410sx of 35:65:6 PozC (YLD 2.0 WT 12.6), Tail - 180sx of 50:50 Poz C (YLD 1.37 WT 14.2) 7200'-4450'
25% excess
Stage 3: Lead - 680sx of 35:65:6 PozC (YLD 2.0 WT 12.6), Tail - 180sx of 50:50 Poz C (YLD 1.37 WT 14.2) 4450'-0'
15% excess
Thank-You,

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Troy Peterson	Title Well Planner
Signature 	Date September 20, 2012

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)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL



OCT 04 2012

Conditions of Approval

1. The minimum required fill of cement behind the 5-1/2 inch production casing is:

a. First stage to DV tool:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage. **Additional cement may be required – excess calculates to 8%.**

b. Second stage above DV tool:

- ☒ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with third stage cement job. Operator should have plans as to how they will achieve circulation on the next stage. **Additional cement may be required – excess calculates to 18%.**

c. Third stage above DV tool:

- ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Additional cement may be required – excess calculates to 17%.**