

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OGD
OCD Hobbs

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.

NOV 19 2012

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NM-108476
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 & 660' FWL, BHL: 660' FSL & 330' FEL Section 13, T25S-R34E, Unit Letter (Surface M) (BHL P)		8 Well Name and No Rider BRQ Federal #2H
		9 API Well No 30-025-40558
		10 Field and Pool, or Exploratory Area Bone Spring
		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"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
<input type="checkbox"/> Final Abandonment Notice	<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 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 permission to change the cement and/or casing sizes as follows:
Surface setting depth will be 1000' and the casing will not change. Surface cement is as follows:
Lead - 560sx of 35:65:6 PozC (YLD 2 WT 12.5), Tail - 200sx of Class C (YLD 1.34 WT 14.8) 0'-1000' 100% excess
Intermediate setting depth is 5400' and the new casing design is attached. Intermediate cement is as follows:
Lead - 1550sx of 35:65:6 PozC (YLD 2 WT 12.5), Tail - 200sx of Class C (YLD 1.34 WT 14.8) 0'-5400' 100% excess
We would also like to requests permission to use a Flex Hose between the well head and the choke manifold.
The flex hose's manufacter certification and specs are attached along with the Intermediate casing design.

Thank-You,

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) Troy M. Peterson		Title Well Planner
Signature		Date September 28, 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.		SEP 28 2012 /s/ Chris Walls BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE

(Instructions on reverse)

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Rider BRQ Federal #2H

Intermediate Casing Design

Intermediate Casing

0 ft to 80 ft				Make up Torque ft-lbs			Total ft = 80
Collapse Resistance	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	HCK-55	LT&C	6,940	5,210	8,680	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
4,230 psi	3,950 psi	694 ,000 #		630 ,000 #		8.75-SD	

80 ft to 3,200 ft				Make up Torque ft-lbs			Total ft = 3,120
O.D.	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	36 #/ft	J-55	LT&C	4,530	3,400	5,660	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
2,020 psi	3,520 psi	453 ,000 #		564 ,000 #		8.765	

3,200 ft to 5,400 ft				Make up Torque ft-lbs			Total ft = 2,200
Collapse Resistance	Weight	Grade	Threads	opt.	min.	mx.	
9.625 inches	40 #/ft	HCK-55	LT&C	6,940	5,210	8,680	
Collapse Resistance	Internal Yield	Joint Strength		Body Yield		Drift	
4,230 psi	3,950 psi	694 ,000 #		630 ,000 #		8.75-SD	



Midwest Hose
& Specialty, Inc.

INTERNAL HYDROSTATIC TEST REPORT		
Customer: CACTUS DRILLING		Customer P.O. Number: ASSET#M10750 SO#74310
HOSE SPECIFICATIONS		
Type: CHOKES & KILL	Hose Length: 35'	
I.D. 4 INCHES	O.D. 8 INCHES	
WORKING PRESSURE 10,000 PSI	TEST PRESSURE 15,000 PSI	BURST PRESSURE N/A PSI
COUPLINGS		
Part Number E4.0X64WB E4.0X64WB	Stem Lot Number 1Q11 LOT1 1Q11 LOT1	Ferrule Lot Number 1Q11 LOT1 1Q11 LOT1
Type of Coupling: Swage-It	Die Size:	
PROCEDURE		
<i>Hose assembly pressure tested with water at ambient temperature.</i>		
TIME HELD AT TEST PRESSURE 1	ACTUAL BURST PRESSURE: N/A PSI	
Hose Assembly Serial Number: 74310	Hose Serial Number: M10750	
Comments:		
Date: 12/2/2010	Tested: <i>Bobby A.C.</i>	Approved: <i>Brent Burnett</i>

Co-Flex line
Conditions of Approval

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.** 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).