

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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.

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)
1980' FSL and 1980' FWL Surface Hole Location, UL K
330' FNL and 1980' FWL Bottom Hole Location, UL C
Section 21, T25S-R36E

5. Lease Serial No

NM-105564

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

Herkimer "BQF" Federal #1H

9. API Well No

30-025-20381

10 Field and Pool, or Exploratory Area

West Jal Delaware

11 County or Parish, State

Lea County, New Mexico

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deenen <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 change
	<input checked="" type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon bottom hole
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal location, etc.

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 recomplete 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 recompletion 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

Yates Petroleum Corporation wishes to move the bottom hole location from the old footages of 330' FNL & 330' FWL to new location of 330' FNL & 1980' FWL still in Section 21-25S-36E. Attached is new Drilling plan showing changes in the hole size as well as casing changes and changes in the cement program. The new TD will be 10315' MD.(TVD 7550)

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Original COA's Still Applies

I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Clifton May

Title Land Regulatory Agent

Signature

Clifton May

Date

September 15, 2010

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 PETROLEUM ENGINEER

OCT 05 2010



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)

ch

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-025-20381		² Pool Code	³ Pool Name West Jal Delaware	
⁴ Property Code	⁵ Property Name Herkimer BQF Federal			⁶ Well Number 1H
⁷ OGRID No. 025575	⁸ Operator Name Yates Petroleum Corporation			⁹ Elevation 3095 DF

¹⁰ Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	21	25S	36E		1980	South	1980	West	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	21	25S	36E		330	North	1980	West	Lea

¹² Dedicated Acres 120	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Signature <u>Clifton May</u> Date <u>9/13/2010</u> Printed Name <u>Clifton May</u>
	¹⁸ 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 of Survey _____ Signature and Seal of Professional Surveyor _____ Certificate Number _____

Co: Yates Petroleum Corporation			Units: Feet, ° 7100ft		VS Az: 0.00		Tgt TVD: 7550.00	
Drillers: 0			Elevation:		Tgt Radius: 0.00		Tgt MD: 0.00	
Well Name: Herkimer BQF Federal #1H			Northing:		Tgt N/S: 2970.00		Tgt Displ.: 0.00	
Location: Sect. 21, 25S-36E			Easting:		Tgt E/W: 0.00		Method: Minimum Curvature	

No.	MD	CL	Inc.	Azi.	TVD	VS	+N/S-	+E/W-	BR	WR	DLS	Comments
0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
1	7072.54	7072.54	0.00	0.00	7072.54	0.01	0.01	0.00	0.00	0.00	0.00	KOP
2	7100.00	27.46	3.30	0.00	7099.98	0.80	0.80	0.00	12.00	0.00	12.00	
3	7200.00	100.00	15.30	0.00	7198.49	16.92	16.92	0.00	12.00	0.00	12.00	
4	7300.00	100.00	27.30	0.00	7291.49	53.17	53.17	0.00	12.00	0.00	12.00	
5	7400.00	100.00	39.30	0.00	7374.93	107.97	107.97	0.00	12.00	0.00	12.00	
6	7500.00	100.00	51.30	0.00	7445.14	178.91	178.91	0.00	12.00	0.00	12.00	
7	7600.00	100.00	63.30	0.00	7499.07	262.91	262.91	0.00	12.00	0.00	12.00	
8	7700.00	100.00	75.30	0.00	7534.36	356.28	356.28	0.00	12.00	0.00	12.00	
9	7800.00	100.00	87.30	0.00	7549.47	454.94	454.94	0.00	12.00	0.00	12.00	
10	7822.53	750.00	90.00	0.00	7550.00	477.47	477.47	0.00	12.00	0.00	12.00	Delaware Target
11	10315.07	2492.54	90.00	0.00	7550.01	2970.01	2970.01	0.00	0.00	0.00	0.00	Lateral TD

Pulling Unit: Well will be reentered with a pulling unit and plugs drilled out to 7000' using an 8.9 MW. Hole will be circulated clean. Then a cast iron bridge plug with 35' of cement will be set above liner top. A CBL and casing integrity log will be run and if necessary, perforate and pump cement behind 7" casing across kick off point. Well should be dead at this point. Finally, well will be turned over to drilling to kick off and drill the lateral.

Drilling Rig: Whipstock will be set above cast iron bridge plug (this CIBP is set above the one with cement). Kick off at approx. 7073' with a 6 1/8" hole. Build curve at 12*/100'. Land curve at 7822' MD(7550' TVD) and drill lateral to 10315' MD (7550' TVD) where 4 1/2" 11.6# HCP-110 LT&C casing will be set and cemented. Mud used will be cut brine 8.9-9.2ppg with 32-38 vis. Penetration point will be encountered at 2457' FSL & 1980' FWL.

Cement: DV tool placed at approx. 7000'. Cement with 350sx PVL (YLD 1.83 Wt. 13) TOC=7000'. After completion procedure, 4 1/2" will be cut and pulled at 7000'.

*see
COA
must set
other
plugs*

