Form 3160-5 HEYCO

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French DFORM APPROVED
Hobbs. NM 882200 BUSINESS 1004-0135

Date

BUREAU	OF LAND MANAGEMENT	1 10003, 14141	0024 Spires: March 31, 1993
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different resevoir Use "APPLICATION FOR PERMIT" for such proposals			5. Lease Designation and serial No. NMNM-18232
			6. If Indian, Allottee or Tribe Name
OSE ALLEGATION	ON FEMALES		7. If Unit or CA, Agreement Designation
SUBMIT IN TRIPLICATE			
I. Type of Well			-
Oil Gas Well X Well Other			8. Well Name and No.
t. Name of Operator HARVEY E. YATES COMPANY			URSA MAJOR 8 FED #2
Address and Telephone No.			9. API Well No.
P.O. BOX 1933, ROSWELL, NM 88201 505-623-6601			
4. Location of Well (Footage, Sec., T., M., or Survey Description)			30-025-3538
			NORTH YOUNG BONE SPRING
660' FNL & 660' FWL SEC 8, T18S, R32E			11. County or Parish, State
			LEA COUNTY, NM
12. CHECK APPROPRIATE	BOX(s) TO INDICATE NATUR	E OF NOTICE, REP	ORT, OR OTHER DATA
TYPE OF SUBMISSION			
x Notice of Intent	Abandonment	Change of Plans	
	Recompletion	New Construction	
Subsequent Report	Plugging Back	Non-Routine Fracturing	
	Casing Repair	Water Shut-Off	
Final Abandonment Notice	Aftering Casing	Conversion to Injection	
	X Other	Dispose Water	
		(Note, Report results of multiple completion on well	
		Completion or Reco	mpletion Report and Log form
 Describe Proposed or Completed Operations (Clearly state a give subsurface locations and measured and true vertica 			g any proposed work. If well is directional
Request for variance on setting depth of 13 3/8" su	ırface casing.		
We propose to:			
Drill 17 1/2" surface hole to 400', run 13 3/8" casing			
Drill 12 1/4" intermediate hole per attached Exhibt	G		
		AI	PPROVED
		711	
			100 22 400
		PET	LES BABYAK ROLEUM ENGINEER
		<u> </u>	
14. I hereby certify that the foregoing is true and correct			
signed Bob Williams	Title DRILLING SUPERINTENDENT		Date 8/9/01
A STATE OF THE STA	THE DIRECTION OUT ENHITERDENT		Date 013/01

Title 18 U.S.C. Section 1001, makes 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 statement or representations as to any matter within its jurisdiction.

(This space for Federal or State office use)

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EXHIBIT "G"

Harvey E. Yates Company Ursa Major 8 Fed #2 Section 8, T18S, R32E Lea County, New Mexico

Temporary Condition of Approval:

Drilling Fluids, Casing and Cementing Requirements for Most of Lea County:

Casing and Cementing

Surface casing is to be set at a sufficient depth to protect useable water zones and cement circulated to surface. In areas where the salt section (Salado) is present, surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.

As an alternative, surface casing may be set through the Santa Rosa Formation or other potable water bearing zones and circulate cement to surface. For wells requiring an intermediate casing string, such string shall be cemented to the ground surface. In the case where intermediate casing is not required the operator shall case and cement the production hole to the ground surface.

While drilling from the surface casing to the Rustler fm it is recommended that operators periodically sweep the hole with viscous low water loss pills to help build a filter cake across useable water zones in the redbeds.

Drilling Fluid

Fresh water or fresh water spud mud shall be used to drill to surface casing depth. If surface casing is set at a lesser depth than the top of the Rustler fm., fresh water spud mud may be used to drill down to the first salt in the Rustler Fm. after which brine or fresh water may be used.

Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into the redbeds.

Two to five percent diesel or crude oil may be used in the redbed section in order to control heaving shales and mudstones.

Caustics and Lime shall not be used in the red beds but may be added when the Rustler formation is reached. However, sodium carbonate maybe used for alkalinity or ph control while drilling the redbeds above the Rustler fm.

Additionally, questions of whether an additive may be used should be refereed to the Roswell Field office.



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