

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**5. Lease Serial No.
NMNM26864

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
RODEN GD FED 69. API Well No.
30-015-26337-00-S110. Field and Pool, or Exploratory
N DAGGER DRAW11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

YATES PETROLEUM CORPORATION

Contact: TINA HUERTA

E-Mail: tinah@yatespetroleum.com

3a. Address

105 SOUTH FOURTH STREET
ARTESIA, NM 88210

3b. Phone No. (include area code)

Ph: 575-748-4168

Fx: 575-748-4585

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

Sec 35 T19S R24E SENE 1980FNL 660FEL

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 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 plans to plug and abandon this well as follows:

1. MIRU all safety equipment as needed. NU BOP. No casing recovery will be attempted. POOH with production equipment.
2. Set a CIBP at 7648 ft and cap it with 25 sx Class H cement. This will place a plug across open Canyon perms. WOC and tag.
3. Load hole with plugging mud. Spot a 30 sx Class C cement plug from 5288 ft - 5468 ft. This will leave a plug across stage tool and Wolfcamp top. WOC and tag.
4. Load hole with plugging mud. Spot a 30 sx Class C cement plug from 3450 ft - 3630 ft. This is just a spacer plug.
5. Load hole with plugging mud. Spot a 30 sx Class C cement plug from 1798 ft - 1978 ft. This will leave a plug across Glorieta top.

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 14 2016

RECEIVED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #350419 verified by the BLM Well Information System

For YATES PETROLEUM CORPORATION, sent to the Carlsbad

Committed to AFMSS for processing by DEBORAH MCKINNEY on 09/09/2016 (16DLM0895SE)

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 09/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Eng

Date

11/7/16

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

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #350419 that would not fit on the form

32. Additional remarks, continued

6. Load hole with plugging mud. Spot a 30 sx Class C cement plug from 1140 ft - 1320 ft. This will leave a plug across casing shoe. WOC and tag.
7. Load hole with plugging mud. Spot a 30 sx Class C cement plug from 0 - 140 ft. This will form surface plug. WOC and tag.
8. Remove all surface equipment and weld dry hole marker per regulations.

Wellbore schematics attached.

WELL NAME: RODEN GD FEDERAL No. 6 FIELD: Dagger Draw

LOCATION: 1980 FNL & 660 FEL of Section 35-19S-24E Eddy Co., NM

GL: 3,646' ZERO: KB:

SPUD DATE: 6/4/90 COMPLETION DATE: 8/12/90

COMMENTS: API No.: 30-015-26337

CASING PROGRAM

| | |
|--------------------|--------|
| 9-5/8" 36# J55 STC | 1,270' |
| 7" 26# J55 | 1,213' |
| 7" 23# J55 | 3,667' |
| 7" 26# J55 | 2,692' |
| 7" 26# N80 | 498' |
| | 8,070' |

Before

TOPS

| | |
|----------|--------|
| SA | 430' |
| Glorieta | 1,928' |
| Yeso | 2,056' |
| WC Lm | 5,322' |
| Canyon | 7,526' |

14-3/4" Hole

8-3/4" Hole

9-5/8" @ 1,270' w/
1,100 sx
1" perf w/ 370 sx

DV Tool @ 5,418'

Canyon Perfs: 7,698' - 7,760' (126)

7" @ 8,058' w/
1st Stage: 950 sx (Circ)
2nd Stage: 1,100 sx (Circ)

FC: 8,016
TD: 8,058'

Not to Scale
8/19/16
JMH

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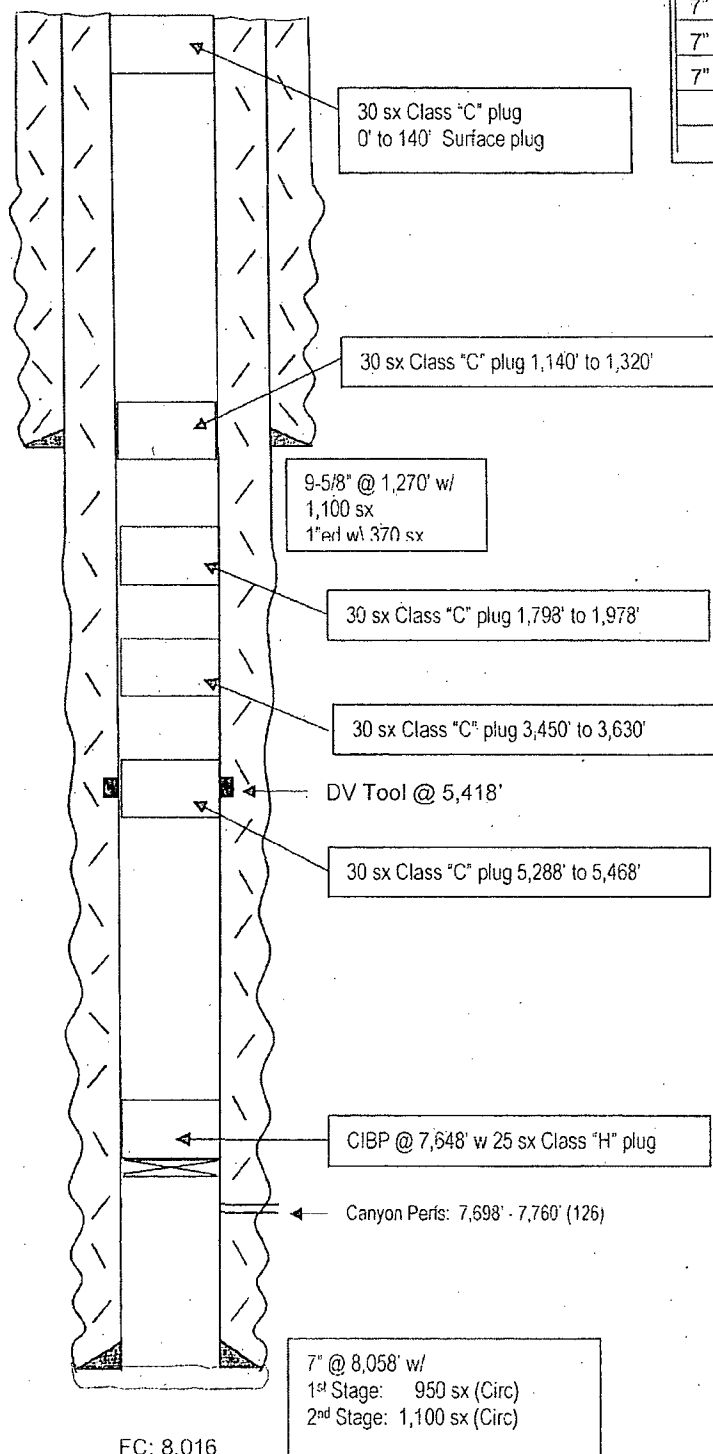
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8/19/16
JMH

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.