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Artesia, NM 88210 **UNITED STATES** FORM APPROVED Form 3160-5 (December 1989) Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: September 30, 1990 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM-01119 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE RECEIVED 1. Type of Well **⊠** Oil Well 8. Well Name and No. □ Well YATES C FEDERAL 2. Name of Operator REGULATORY AFFAIRSJUL 13.'94 **EXXON CORPORATION** ATTN: 9. API Well No. 3001524373 3. Address and Telephone No. (915) 688^C6782 10. Field and Pool, or Exploratory Area 79702 P. O. BOX 1600 MIDLAND, TX AVALON DELAWARE 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1980' FSL & 660' FEL, SEC 31, T20S - R28E **EDDY** NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Notice of Intent Change of Plans Abandonment New Construction Recompletion Subsequent Report Plugging Back Non-Routine Fracturing Water Shut-Off Casing Repair Final Abandonment Notice Conversion to Injection Altering Casing RENEW TA STATUS (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* REQUEST RENEWAL OF TA STATUS FOR SUBJECT WELL. JUSTIFICATION: WELL IS INCLUDED IN AVALON UNITIZATION AND SECONDARY UNIITIZATION IS EXPECTED TO BE COMPLETED BY THE 4TH RECOVERY PROJECT. QUARTER OF 1994. APPROVED FOR 12 MONTH PERIOD **This Approval** (Abandonment Exp 14. I hereby certify that the foregoing is true and correct Alex M. Correa Title Sr. Regulatory Specialist 06/08/94 (This space

agency of the United States any false, fictitious or fraudulent statements or representations Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department of

as to any matter within its jurisdiction.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Carlsbad Resource Area Headquarters IN REPLY REFER TO: P. P. BRATE PERMITS Carlsbad, New Mexico 88221-1778 3160 (067) MAY 13'94 NM01119 _CHH MAY 1 1 1994 CERTIFIED--RETURN RECEIPT REQUESTDED VOE ____FY1 z 730 339 388 _ DJB _AMC __Handle __ Let's Disc. .JRG MAY 1 2 1994 __ Prep. Reply LL2. ____Joint Int. File SBT Exxon Company, USA ____Reg. Aff. File MGPA Permits Attention: Regulatory Affairs _SON ___Central File P. O. Box 1600 WMW. Midland, Texas 79702

RE: NM01119; Yates C Federal Nos. 12, 14, 15, 18 & 31

Sec. 31, T20S, R28E Eddy County, New Mexico

Gentlemen:

Our records show the above referenced wells are operated by you and are reported as Shut-In (SI) or Temporarily Abandoned (TA). The Bureau of Land Management (BLM) and Minerals Management Service (MMS) definition of a shut-in well is a completion that is physically and mechanically capable of production in paying quantities or capable of service use. The definition of a temporarily abandoned well is a completion that is not capable of production in paying quantities but which may have value as a service completion. According to our records the wells referenced above have been shut-in for 6 months or longer or have been temporarily abandoned without authorization. 43 CFR 3162.3-4 (c) requires that wells incapable of production in paying quantities be promptly plugged and abandoned and requires approval for any well temporarily abandoned for more than 30 days.

Accordingly, you are to take one of the following actions for each well listed:

- 1. Return the well to production or beneficial use.
- 2. Plug and abandon the well.
- 3. Request approval for temporary abandonment and include a schedule for casing integrity testing.

If you decide to return the wells to production or beneficial use, submit a Sundry Notice of intent within 30 business days of receipt of this letter. Include the date you anticipate the wells being placed back in service. Use Form 3160-5 and submit the original and 5 copies for each well. re CFR 3162.4-1(c) also requires you to notify the Authorized Officer, not later than the fifth business

day after production is resumed for any well which has been off production for more that 90 days, the date on which such production was resumed. Motification may be by letter or Sundry Notice, or orally followed by letter or Sundry Notice.

If you decide to plug and abandon the wells, submit a separate Sundry Notice (Form 3160-5, original and 5 copies) for each well within 30 business days of receipt of this letter and describe the proposed plugging program.

If you decide to temporarily abandon the wells, submit a Sundry Notice (Form 3160-5, original and 5 copies) within 30 business days of receipt of this letter, and state your justification for carrying the wells in a Temporarily Abandoned status. Justification must include the reasons why the wells should not be permanently plugged and abandoned, if the wells are to be used for beneficial use will suffice. Eeneficial use includes, but is not limited to, recompletion to other horizons, conversion to injection for secondary or enhanced recovery, and salt water disposal. Approval for temporary abandonment may be denied if the Authorized officer fetermines your justification is not reasonable.

Under provisions of 43 CFR 3165.3, you may request a State Director Review (SDR) of the orders described above. Such a request including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land management, P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the order unless the reviewing official so determines. Procedures governing appeals from instructions, orders, or decisions are contained in 43 CFR 3165.4 and 43 CFR Part 4.

For monitoring and tracking purposes, please submit appropriate paperwork to this office Attention: Jim Amos.

If you have any question, contact Jim Amos or Joe Lara at (505) 887-6544.

Sincerely,

Richard L. Manus

Area Manager

Carlsbad Resource Area

2 Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Carlsbad Resource Area Headquarters
P.O. Box 1778
Carlsbad, New Mexico 38221-1778

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

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MCDA Permits

EXXON COMPANY USA
ATTANTION: REGULATORY AFFAIRS
P O BOX 1600
MIDLAND, TX 79702



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BUREAU OF LAND MANAGEMENT CARLSBAD RESOURCE AREA

Temporary Abandonment of Wells on Federal Lands

Conditions of Approval

According to 43 CFR 3162.3-4-c, " No well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer".

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

- Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County call (505) 887-6544; for wells in Lea County call (505) 393-3612.
- A bridge plug or packer shall be set at a maximum of 50 feet above any open perforations or open hole.
- 3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
- 4. The production casing shall be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leak-off.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for 12 months provided that the operator:

- 1. Submits a subsequent Sundry Notice requesting TA approval,
- Attaches a clear copy or the original of the pressure test chart,
- 3. And attaches a detailed justification why the well should not be plugged and abandoned.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.