

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NNMM77063	
2. Name of Operator EOG Y RESOURCES, INC.		6. If Indian, Allottee or Tribe Name	
Contact: TINA HUERTA E-Mail: tinah@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No.	
3a. Address 105 SOUTH FOURTH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4168 Fx: 575-748-4585	8. Well Name and No. CONTINENTAL APJ FEDERAL 3	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T23S R32E NWNW 660FNL 660FWL		9. API Well No. 30-025-36049	
		10. Field and Pool, or Exploratory DIAMONDTAIL; DELAWARE, SW	
		11. County or Parish, and State LEA COUNTY, NM	

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 (S	INT TO PA <u>Am X</u> ff P&A NR _____ P&A R _____
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Dispos	

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 shall 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 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. TIH with open ended tubing, tag cement on top of CIBP at 6912 ft. Load hole with 10 ppg plugging mud. Spot 25 sx Class C cement on top of CIBP. WOC and tag.
2. Set packer at 5500 ft. Establish rate into casing holes then squeeze with a minimum of 200 sx Class C cement. Release packer. WOC.
3. Tag TOC. Perforate 5-1/2 inch casing at 4850 ft. Set packer at 4600 ft then spot a 60 sx Class C cement plug from 4850 ft - 4600 ft inside and outside 5-1/2 inch casing, this will cover top of Bell Canyon, 8-5/8 inch casing shoe and DV tool. Release packer. WOC and tag.
4. Spot a continuous 335 sx Class C cement plug from 4600 ft - 1250 ft, this will cover entire salt section.
5. Spot a 25 sx Class C cement plug from 910 ft - 810 ft. WOC and tag.

Attend to
completing AP 15-18
of COA

APPROVED

NOV 15 2016

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

Electronic Submission #357969 verified by the BLM Well Information System
For EOG Y RESOURCES, INC., sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/15/2016 ()

Name (Printed/Typed) TINA HUERTA

Title REG REPORTING SUPERVISOR

Signature (Electronic Submission)

Date 11/14/2016

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Paul R. Swartz</u>	Title <u>Technical PET</u>	Date <u>11/15/16</u>
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 <u>CFO</u>

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

FOR RECORD ONLY

mw/OCD 11/22/2016

Additional data for EC transaction #357969 that would not fit on the form

32. Additional remarks, continued

6. Spot a 10 sx Class C cement plug from 100 ft up to surface.
7. Cut off wellhead, install dry hole marker and clean location.

Wellbore schematics attached

WELL NAME: Continental APJ Federal #3 FIELD: Diamond Tail
 LOCATION: 660' FNL & 660' FWL of Section 28-23S-32E Lea Co., NM
 GL: 3,694' ZERO: _____ KB: 3,709'
 SPUD DATE: 1/3/03 COMPLETION DATE: 3/5/03
 COMMENTS: API No.: 30-025-36049

CASING PROGRAM

13-3/8" 48#	860'
8-5/8" 32# J-55	4,674'
5-1/2" 15.5/17# J-55	8,750'

Current:

17-1/2" Hole

11" Hole

DV tool @ 4,623'

7-7/8" Hole

13-3/8" @ 860' w/ 700 sx (Circ)

8-5/8" @ 4,674'
w/1,350' sx (Circ)

Holes in casing from 5,560'-5,823'

TOC by CBL @ 5,800'

CIBP w/ 35' cmt at 6,912'

Livingston Ridge Perfs: 6,966-75'; 6,998-7005';
7,032-44'; 55-63'; 73-80'; 85-94'

Brushy Canyon Perfs: 7,335-47'; 67-75'

Brushy Canyon Perfs: 8,039-46'; 8,134-44'

Brushy Canyon Perfs: 8,584-94';
8,622-31'; 60-64'

30 sx cement plug from 8,700'-8,475'

PBTD: 8,707'
TD: 8,750'

5-1/2" @ 8,750' w/
1st Stage: 550 sx
2nd Stage: 410 sx (Circ)

TOPS

Rustler 1,216'
TOS 1,294'
BOS 4,598'
Bell Canyon 4,880'
Cherry Cny 5,746'
Brushy Cny 7,028'
BS 8,678'

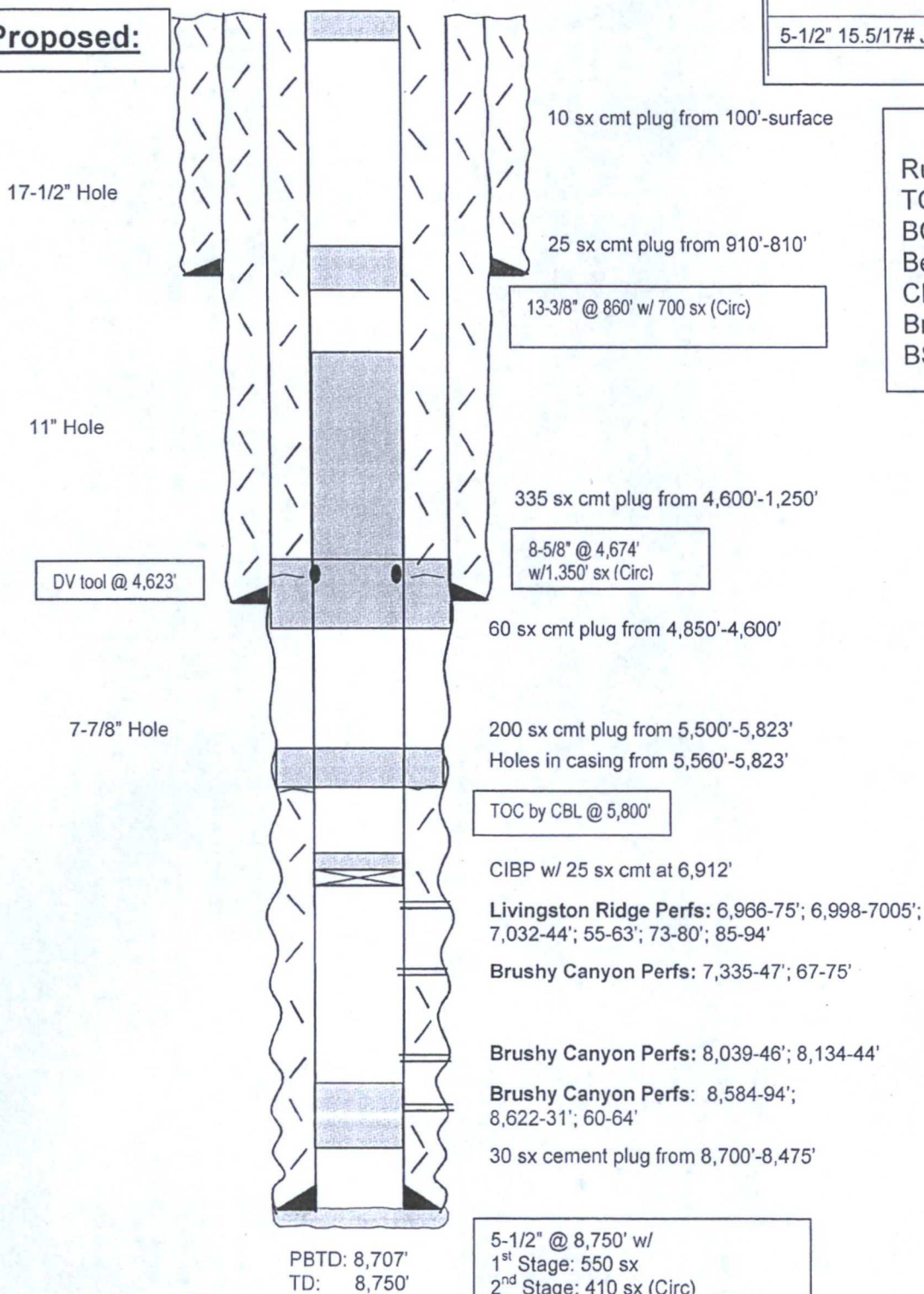
Not to Scale
11/14/16
BAL

WELL NAME: Continental APJ Federal #3 FIELD: Diamond Tail
 LOCATION: 660' FNL & 660' FWL of Section 28-23S-32E Lea Co., NM
 GL: 3,694' ZERO: _____ KB: 3,709'
 SPUD DATE: 1/3/03 COMPLETION DATE: 3/5/03
 COMMENTS: API No.: 30-025-36049

CASING PROGRAM

13-3/8" 48#	860'
8-5/8" 32# J-55	4,674'
5-1/2" 15.5/17# J-55	8,750'

Proposed:



TOPS

Rustler	1,216'
TOS	1,294"
BOS	4,598'
Bell Canyon	4,880'
Cherry Cny	5,746'
Brushy Cny	7,028'
BS	8,678'

Not to Scale
 11/14/16
 BAL

Conditions of Approval

**Yates Petroleum Corporation
Continental APJ - 03, API 3002536049
T23S-R32E, Sec 28, 660FNL & 660FWL
November 15, 2016**

- 1. Operator is required to have the BLM approved NOI procedure with applicable conditions of approval on location during this workover operation.**
2. Due to being within the Lesser Prairie Chicken habitat, this workover activity will be restricted to the hours of 9:00am through 3:00am for the period of March 1 through June 15.
3. Subject to like approval by the New Mexico Oil Conservation Division.
4. Notify 575-393-3612 Lea Co as work begins. Plugging procedures are to be witnessed. If there is no response leave a voice mail with the API#, workover purpose, and a call back phone number.
5. Surface disturbance beyond the existing pad must have prior approval.
6. A closed loop system is required. The operator shall properly dispose of drilling/circulating contents at an authorized disposal site. Tanks are required for all operations, no excavated pits.
7. Functional H₂S monitoring equipment shall be on location.
8. 3000 (3M) Blow Out Prevention Equipment to be used. All BOPE and workover procedures shall establish fail safe well control. Ram(s) for the work string(s) used is required equipment. Manual BOP closure system including a blind ram and pipe ram(s) designed to close on all (hand wheels) equipment shall be installed regardless of BOP design. Function test the installed BOPE to 500psig when well conditions allow. Related equipment, (choke manifolds, kill trucks, gas vent or flare lines, etc.) shall be employed when needed for reasonable well control requirements.
9. All waste (i.e. trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during any other crew-intensive operations.
10. The BLM PET witness is to run tbq tally and agree to cement volumes and placement. Sample each plug for cement curing time and tag and/or pressure test as requested by BLM PET witness.
- 11. Cementing procedure is subject to the next three numbered paragraphs.**
12. Mix cement plugs to cover a minimum of 100ft plus 10ft for every 1,000ft to the bottom of the plug, rounding the number of necessary sacks up to the nearest 5 sacks. Never use less than 25sx. Examples: A cement plug set at 8000 in 7" casing would require a min of 35sx. A 25sx plug in 5 ½" casing should cover 250ft, which may exceed 100ft plus 10ft per 1000ft.
13. Class H > 7500ft & C < 7500ft) cement plugs(s) will be necessary. For any plug that requires a tag or pressure test a minimum WOC time of 4 hours(C) & 8 hours(H) is recommended. Formation isolation plugs of Class "C" to be mixed 14.8#/gal, 1.32 ft³/sx, 6.3gal/sx water and "H" to be mixed 16.4#/gal, 1.06ft³/sx, 4.3gal/sx water.

14. Minimum requirement for mud placed between plugs is 25 sacks of salt water gel per 100 barrels in 9 lb/gal brine.
15. **Tag the csg leak squeeze <5560-823> (Step 2 of Yate's procedure) with tubing and pressure test the squeeze plug to 300psig surface pressure.**
16. **Step 3 of procedure: Perf at 4940' or below (50' below Bell Canyon top of 4880).**
17. **After displacement of the 4940 perf sqz, leave the pkr set and close a valve on the tubing at the wellhead. WOC - Hold the cement sqz in place with the displacement fluid until cement has set.**
18. **Release packer. Tag the plug at 4830' or above with tubing.**
19. File **subsequent sundry** Form 3160-5 within 30 days of workover procedures. Submit the (BLM Form 3160-5 subsequent report (daily reports) via BLM's Well Information System; <https://www.blm.gov/wispermits/wis/SP> (email pswartz@blm.gov for operator setup instructions). Include (dated daily) descriptions of the well work, ie. procedure descriptions and setting depths of each plug in the subsequent sundry.
20. Wellbore plugging is to be accomplished within 90 days of approval.

Reclamation Objectives and Procedures

In Reply Refer To: 1310

Reclamation Objective: At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as needed. This will apply to well pads, facilities, and access roads. Barricade all access road(s) at the starting point. If reserve pits have not been adequately reclaimed due to salts or other contaminants, propose a plan for BLM approval to provide restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations should have included adequate measures for stabilization and reclamation of

disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.

2. For locations and/or access roads not having an approved plan, or an inadequate plan for surface reclamation the operator must submit a proposal describing the procedures for reclamation. The appropriate time for submittal would be when filing the Notice of Intent, or with the Subsequent Sundry Report of Abandonment on Form 3160-5. The final reclamation goal is to be completed within 6 months of wellbore abandonment.
3. With an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It may be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives.
4. Upon reclamation conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a BLM specialist to inspect the location to verify work was completed as per approved plans.
5. The BLM approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been tentatively reestablished. If the objectives have not been met BLM will be notify the operator of the required corrective actions.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time the full BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the full BLM objectives have been met, submit a Final Abandonment Notice (FAN) Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time a BLM specialist will again inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability for the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Environmental Protection Specialist
575-234-5909, 575-361-2648 (Cell)

Robertson, Jeffery
Natural Resource Specialist
575-234-2230, 575-706-1920 (Cell)

Trishia Bad Bear
Natural Resource Specialist

Vance Wolf
Natural Resource Specialist

575-393-3612, 575-390-2258 (Cell)

Jesse Bassett
Natural Resource Specialist
575-234-5913, 575-499-5114 (Cell)

Paul Murphy
Natural Resource Specialist
575-234-5975, 575-885-9264 (Cell)

Henryetta Price
Environmental Protection Specialist
575-234-5951, 575-706-2780 (Cell)

575-234-5979

Brooke Wilson
Natural Resource Specialist
575-234-6237

Arthur Arias
Environmental Protection Specialist
575-234-6230, 575-499-3378 (Cell)

Shelly Tucker
Environmental Protection Specialist
575-234-5905, 575-361-0084 (Cell)

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.