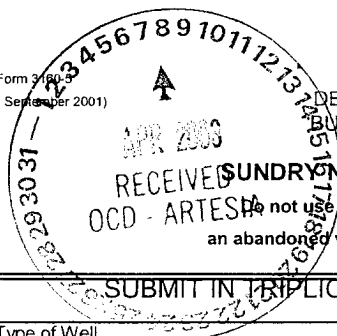


Form 3160-3
(September 2001)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Oil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or 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

☒ Oil well ☐ Gas Well ☐ Other

2 Name of Operator

Yates Petroleum Corporation

3a. Address

105 S.4th St-Artesia, NM 88210

3b. Phone No.(include area code)

505-748-1471

4 Location of Well

(Footage, Sec.,T.,R.,M., OR Survey Description)

UNIT L 980' FSL, 660' FWL SEC. 7-T18S-R30E

5. Lease Serial No.

LC-047269A

6. If Indian, Allottee or Tribe Name

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

8910085280

8. Well Name and No.

WEST LOCO HILLS UNIT TRACT 1 #3

9. API Well No.

30-015-04492

10. Field and Pool, or Exploratory Area

LOCO HILLS QUEEN-GRAYBURG-S/A

11. County or Parish, State

EDDY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

Well Integrity

☐ Subsequent Report

☐ Casing Repair

☐ New Construction

☐ Recomplete

☐ Other

☐ Change Plans

☒ Plug and Abandon

☐ Temporarily Abandon

☐ Final Abandonment Notice

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

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 recompleate horizontally, give subsurface locations and measured and true vertical depths of all perinent 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 recompleation 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 completed, and the operator has

determined that the site is ready for final inspection.)

Yates Petroleum Corporation proposes to plug & abandon as follows:

Call BLM 24 hours before commencing operations.

Call OCD 24 hours before commencing operations.

1. MIRU WSU & all safety equipment. No casing will be attempted. TOH w/ 2-7/8" tubing & production equipment.

2. MIRU WL to run gauge ring & set CIBP @ 2655'. TIH w/ tubing, tag CIBP, load hole w/ plugging mud. Keep wellbore

loaded w/ mud. Spot 30 sk Class C cement plug from 2355'-2655' - POH.

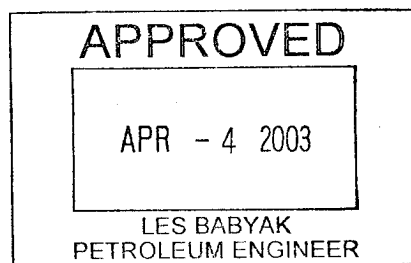
3. TIH w/ W/L to perforate casing w/ casing guns 6 shots @ 1225' & perf casing w/ 6 shots @ 477'.

4. TIH w/ WL WL, set cement retainer @ 1125', TOH. TIH w/ tubing, load hole w/ mud, sting into retainer & establish injection rate. Squeezw w/ 75 sx Class C cement; leave 35' cement on top of retainer. TOH w/ tubing.

5. ND BOP'S, TIH w/ WL, set cement retainer @ 377', TOH. TIH w/ tbq, load hole w/ mud. Sting in to retainer, open all valves on bradenhead & establish circ. Squeeze w/ 135 sx Class C cement with 2% CaCl2 from near surface to 477'; leave 35' cement on retainer.

6. TOH w/ tbq. If circ not established during this stage, WOC, RU WL to perf csg w/ 4 holes @ 325' & tie

(continued)



14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

DONNA CLACK

Title

REGULATORY COMPLIANCE TECH

Signature

Donna Clack

Date

March 27, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Office

Which would entitle the applicant to conduct operations thereon.

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

continued:

WLHU TRACT 1 #3
Sec 7-18S-30E
1980' FSL 660' FWL
Eddy County, NM

on to 5.5" csg & establish circ; attempt to circ cement to surface w/ an additional 60 sx Class C cement w/ 2% CaCl₂.

7. Spot 15 sk Class C cement plug @ surface.

8. Remove all surface equipment & weld dry hole marker per regulations.
