

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-015-31003
2. Name of Operator Yates Petroleum Corporation		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		6. State Oil & Gas Lease No. V-3576
4. Well Location Unit Letter <u>O</u> : <u>860</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>17</u> Township <u>21S</u> Range <u>27E</u> NMPM <u>Eddy</u> County		7. Lease Name or Unit Agreement Name Aviette ALK State
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,248' GR		8. Well Number 2
9. OGRID Number 025575		10. Pool name or Wildcat Cedar Hills; Bone Spring

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>	
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. RU all necessary safety equipment as needed.
2. Spot a 25 sx plug from +/- 8,982' to 9,222' across the WC top. Spot a 25 sx plug from 6,952' to 7,192'.
3. Set a CIBP at 5,162' and cap with a 25 sx class "C" cement from 4,922' to 5,162'.
4. Spot 25 sacks of class "C" cement inside the 5-1/2" casing from 2,550' to 2,790'. This will put a plug across the Delaware top and across the intermediate casing shoe. WOC and tag, reset if necessary.
5. Spot 25 sacks of class "C" cement inside the 5-1/2" casing from 404' to 644'. This will put a plug across the surface casing shoe. WOC and tag, reset if necessary.
6. Spot 25 sacks of class "C" cement inside the 5-1/2" casing for a surface plug from 0' to 240' for the surface plug. WOC and tag, reset if necessary.
7. Remove all surface equipment and weld dry hole marker per regulations.

Schematics attached  CONDITIONS OF APPROVAL ATTACHED

Spud Date:  Approval Granted providing work is Completed by May 12, 2015

Approved for plugging of well bore only. Liability under bond is retained. RECEIVED  
 of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Formas. www.em.nrd.state.nm.us/ocd.  
 MAY 05 2014  
 NMOC D ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE May 1, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272  
 For State Use Only

APPROVED BY: [Signature] TITLE District Supervisor DATE May 12, 2014  
 Conditions of Approval (if any): See Attached COA's

WELL NAME: Aviette ALK State Com #2

FIELD: Cedar Hills Bone Springs

LOCATION: 860' FSL & 1,980' FEL of Section 17-21S-27E

Eddy Co., NM

GL: 3,248'

ZERO:

KB:

SPUD DATE: 5/17/00 COMPLETION DATE: 3/27/01

COMMENTS: API No.: 30-015-31003

CASING PROGRAM

13-3/8" 48# H40		594'
9-5/8" 36# J55		2,690'
5-1/2" 17# N80 SB	196'	
5-1/2" 17# N80	2,567'	
5-1/2" 17# J55	5,116'	
5-1/2" 17# L80	2,436'	11,700'

17-1/2" Hole

12-1/4" Hole

6-1/4" Hole

CIBP @ 10,190' w/ 35' cmt

CIBP @ 11,150' w/ 35' cmt

CIBP @ 11,270'

CIBP @ 11,435'  
Cmt Retainer @ 11,475' sqz'd w/11,404-11,512' w/ 150 sx

Retainer @ 11,570' Sqz w/ 23 sx in form

13-3/8" @ 594' w/ 595 sx (Circ)

9-5/8" @ 2,690' w/1,064' sx 1"ed w/ 65 sx

BS Perfs: 5,212' - 5,226' (29)

Strawn Perfs: Sand 10,220-10,223' (18); Lime 10,332-440' (35)

Morrow Perfs: 11,190-21' (1)

Morrow Perfs: 11,300-309' (6); 11,328-330' (6); 11,334-336' (6); 11,359-361' (6); 11,392-398' (6); 11,410-414' (6)

Morrow Perfs: 11,448'-452' (6)

Morrow Perfs: 11,404-11,512'

L. Morrow Perfs: 11,594-11,598'

5-1/2" @ 11,700' w/2,450 sx (Circ)

TD: 11,700'

**Before**

**Tops:**

Yates	676'
Capitan Reef	1,102'
Delaware	2,740'
Bone Springs	5,120'
Wolfcamp	9,172'
Strawn	10,218'
Atoka	10,476'
Morrow	11,168'

Not to Scale  
3/10/14  
Hill

WELL NAME: Aviette ALK State Com #2 FIELD: Cedar Hill Bone Springs

LOCATION: 860' FSL & 1,980' FEL of Section 17-21S-27E Eddy Co., NM

GL: 3,248' ZERO: \_\_\_\_\_ KB: \_\_\_\_\_

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Cmt Retainer @ 11,475' sqz'd w/11,404-11,512' w/ 150 sx

Retainer @ 11,570' Sqz w/ 23 sx in form

TD: 11,700'

25 sx cmt plug 0' - 240' Surface plug.

25 sx cmt plug 404' - 644' Across Csg shoe.

13-3/8" @ 594' w/ 595 sx (Circ)

25 sx cmt plug 2,550' - 2,790' Across Csg & Del top.

9-5/8" @ 2,690' w/1,064' sx 1"ed w/ 65 sx

BS Perfs: 5,212' - 5,226' (29)

25 sx cmt plug 6,952' - 7,192' spacer plug

25 sx cmt plug 8,982' - 9,222' Across WC top

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**After**

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**Not to Scale**  
3/10/14  
Hill

NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283

**CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT**

Operator: Yates

Well Name & Number: Avie He ALK State 2

API #: 30 - 015 - 31003

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged **ONLY**. A C-103 **FINAL** shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: 5/12/2014

APPROVED BY: *AB*

## GUIDELINES FOR PLUGGING AND ABANDONMENT

### DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
  
- Formations to be isolated with plugs placed at the top of each formation are:
  - Fusselman
  - Devonian
  - Morrow
  - Wolfcamp
  - Bone Spring
  - Delaware
  - Any Salt Section (Plug at top and bottom)
  - Abo
  - Glorieta
  - Yates (this plus is usually at base of salt section)
  
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).