

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1725 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

|   |
|---|
| WELL API NO.<br>30-015-26300  |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>LG-1525   |
| 7. Lease Name or Unit Agreement Name<br>State CO Com  |
| 8. Well Number<br>4   |
| 9. OGRID Number<br>025575   |
| 10. Pool name or Wildcat<br>Cemetery; Morrow  |

**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  Gas Well  Other

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 South Fourth Street, Artesia, NM 88210

4. Well Location  
 Unit Letter F : 1980 feet from the North line and 1980 feet from the West line  
 Section 36 Township 19S Range 24E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3622'GR

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

|  |  |  |  |
|--|--|--|--|
| <b>NOTICE OF INTENTION TO:</b>                 |  | <b>SUBSEQUENT REPORT OF:</b>                     |  |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input checked="" type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/>           | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/>   | CHANGE PLANS <input type="checkbox"/>                | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/>         |
| PULL OR ALTER CASING <input type="checkbox"/>  | MULTIPLE COMPL <input type="checkbox"/>              | CASING/CEMENT JOB <input type="checkbox"/>       |  |
| DOWNHOLE COMMINGLE <input type="checkbox"/>    |  |  |  |
| CLOSED-LOOP SYSTEM <input type="checkbox"/>    |  |  |  |
| OTHER: <input type="checkbox"/>                |  | OTHER: <input type="checkbox"/>                  |  |

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:

- MIRU all safety equipment as needed. NU BOP. 4-1/2" casing recovery will be attempted. TOH with production equipment.
- Set a CIBP at 9058' and cap it with 25 sx Class "H" cement. This will place a plug across open Morrow perms. WOC and tag.
- Load hole with ~~fresh water~~ and cut 4-1/2" casing at +/-8200'. Spot a 30 sx Class "H" cement plug from 100' inside the casing stub to 100' above the casing stub. This should be at +/-8100'-8300' depending on where the casing actually parts. WOC and tag.
- Load hole with plugging mud. Spot a 40 sx Class "H" cement plug from +/-7900'-8100'. This will leave a plug across casing shoe. WOC and tag.
- Set a CIBP at 7632' and cap it with 25 sx Class "H" cement. This will place a plug over the squeezed Canyon perms. - WOC & TAG
- Load hole with plugging mud. Spot a 70 sx Class "C" cement plug from 5024'-5453'. This will leave a plug across Wolfcamp top and stage tool. WOC and tag.
- Perforate at 3434' and spot a 50 sx Class "C" cement plug inside and outside casing from 3284'-3434'. This will leave a plug across Bone Spring top. WOC and tag.
- Perforate at 2067' and spot a 50 sx Class "C" cement plug inside and outside casing from 1917'-2067'. This will leave a plug across Glorieta top. WOC and tag.
- Perforate at 1250' and spot a 150 sx Class "C" cement plug inside and outside casing from 800'-1250'. This will leave a plug across casing shoe. WOC and tag.
- Perforate at 150' and spot a 50 sx Class "C" cement plug inside and outside casing from surface to 150'. This will leave a plug across casing shoe and form the surface plug. WOC and tag.
- Remove all surface equipment and weld dry hole marker per regulations. Wellbore schematics attached.

Spud Date:  Rig Release Date:

**WELL MUST BE PLUGGED BY 8/14/2017**

Approved for plugging of well bore only.  
 Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms. www.cmnrd.state.nm.us/oed.

**NM OIL CONSERVATION**  
 ARTESIA DISTRICT  
 AUG 04 2016

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE August 2, 2016

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

**For State Use Only**

APPROVED BY: Robert J. Byrd TITLE COMPLIANCE OFFICER DATE 8/14/2016  
 Conditions of Approval (if any): SEE ATTACHED COA-5

RECEIVED

WELL NAME: State CO Com # 4 FIELD: Cemetery Morrow

LOCATION: 1,980' FNL & 1,980' FWL Sec 36-19S-24E Eddy County, NM

GL: 3,622' ZERO: 18' KB: 3,640'

SPUD DATE: 3/28/90 COMPLETION DATE: 7/21/00

COMMENTS: API No.: 30-015-26300

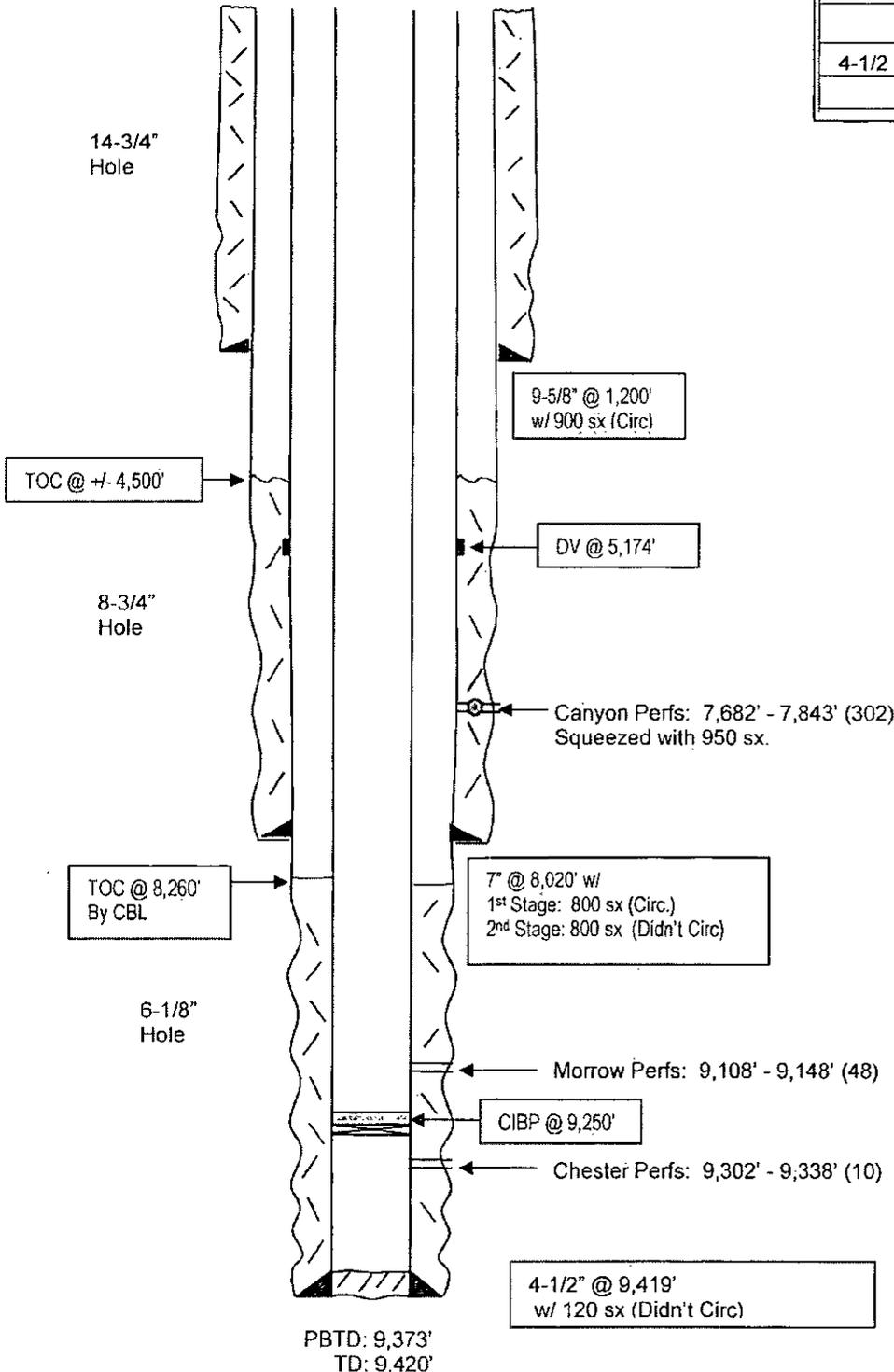
**CASING PROGRAM**

|                          |        |
|--------------------------|--------|
| 9-5/8" 36# J-55          | 1,200' |
| 7" 26# & 23# J-55 & N-80 | 8,020' |
| 4-1/2 11.6# S-95 & N-80  | 9,416' |

**Before**

**Tops:**

|              |        |
|--------------|--------|
| San Andres   | 493'   |
| Glorieta     | 2,017' |
| Yeso         | 2,101' |
| Bone Springs | 3,384' |
| Wolfcamp     | 5,403' |
| Canyon       | 7,563' |
| Strawn       | 8,100' |
| Atoka        | 8,717' |
| Morrow       | 9,056' |



Not to Scale  
7/1/16  
JMH

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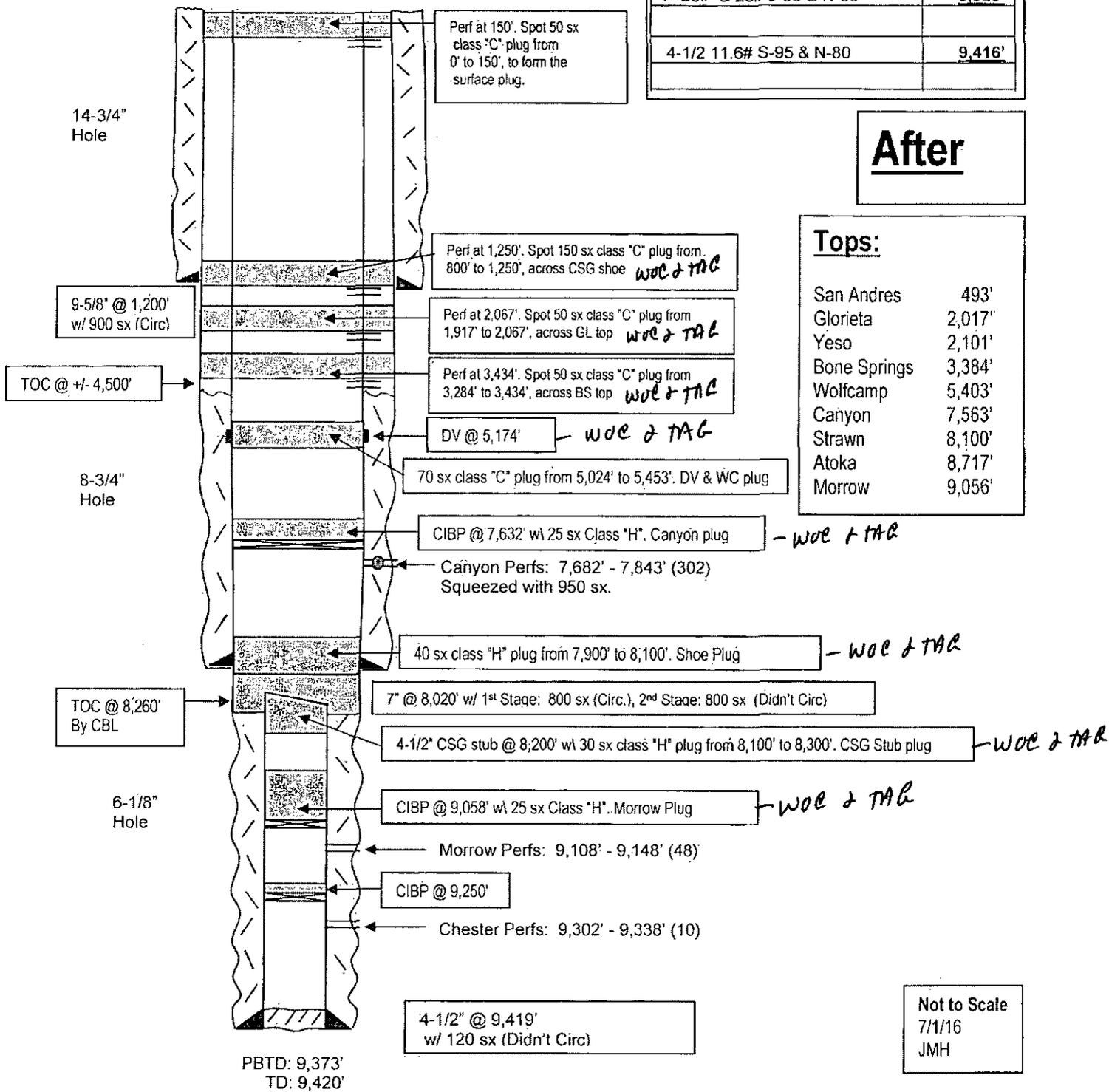
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## CONDITIONS FOR PLUGGING AND ABANDONMENT

### District II / Artesia N.M.

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, **Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.**

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs.
2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
3. 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 be able to produce a copy upon request of an NMOCD Field inspector.
4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
6. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
7. **Produced water will not be used during any part of the plugging operation.**
8. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
9. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
10. **Class 'C' cement will be used above 7500 feet.**
11. **Class 'H' cement will be used below 7500 feet.**
12. **A cement plug is required to be set 50' above and 50' below, , all casing shoes, casing stubs, DV tools, attempted casing cut offs, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged**
13. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
14. **A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.**
15. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, **(WOC 4 hrs and tag).**
16. **No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.**

17. Formations to be isolated with cement plugs are:

- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.

K) **Potash---** (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 that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, **WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.**

18. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, and cement will be set 50' below formation bottom to 50' above formation top inside the casing

#### **DRY HOLE MARKER REQUIREMENTS**

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

1. **Operator name**
2. **Lease and well number**
3. **API number**
4. **Unit letter**
5. **Quarter section (feet from North, South, East or West)**
6. **Section, Township and Range**
7. **Plugging date**
8. **County**

#### **(SPECIAL CASES)**

##### **AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS**

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)