

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.)		WELL API NO. 30-015-28195
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. K-3402
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Stonewall DD State
4. Well Location Unit Letter <u>N</u> : <u>660</u> feet from the <u>South</u> line and <u>1730</u> feet from the <u>West</u> line Section <u>20</u> Township <u>20S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3250'GR		9. OGRID Number 025575
10. Pool name or Wildcat Burton, Yates, South		

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:

- MIRU all safety equipment as needed. NU BOP. POOH with production equipment.
- Set a CIBP at 652'. Spot a 25 sx Class "C" cement plug from 322'-652'. This will spot a plug on top of the open Yates perforations and across surface casing shoe. WOC and tag plug.
- Perforate at 300', then attempt to break circulation up the 4-1/2" x 7" annulus without exceeding 500 psi. If circulation is established spot a 50 sx Class "C" cement plug from surface to 300' inside and outside the 4-1/2" casing. If circulation is not established spot a 300' cement plug inside 4-1/2" casing and back fill the annulus if necessary. This will form the surface plug from surface to 300'. WOC and tag plug.
- Cut off wellhead and install marker, clean up location as per regulated.

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.cmrnd.state.nm.us/oed.

Wellbore schematics attached

**NM OIL CONSERVATION**  
 ARTESIA DISTRICT

Spud Date:

Rig Release Date:

AUG 15 2016

**WELL MUST BE PLUGGED BY 8/15/2017**

RECEIVED

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 11, 2016

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

For State Use Only

APPROVED BY: [Signature] TITLE COMPLIANCE OFFICER DATE 8/15/2016

Conditions of Approval (if any):

**SEE ATTACHED COA-5**

WELL NAME: STONEWALL DD STATE No. 2 FIELD: Burton Yates South

LOCATION: 660' FSL & 1,730' FWL of Section 20-20S-28E Eddy Co., NM

GL: 3,250' ZERO: ' KB: ' \_\_\_\_\_

SPUD DATE: 11/28/94 COMPLETION DATE: 12/18/94

COMMENTS: API No.: 30-015-28195

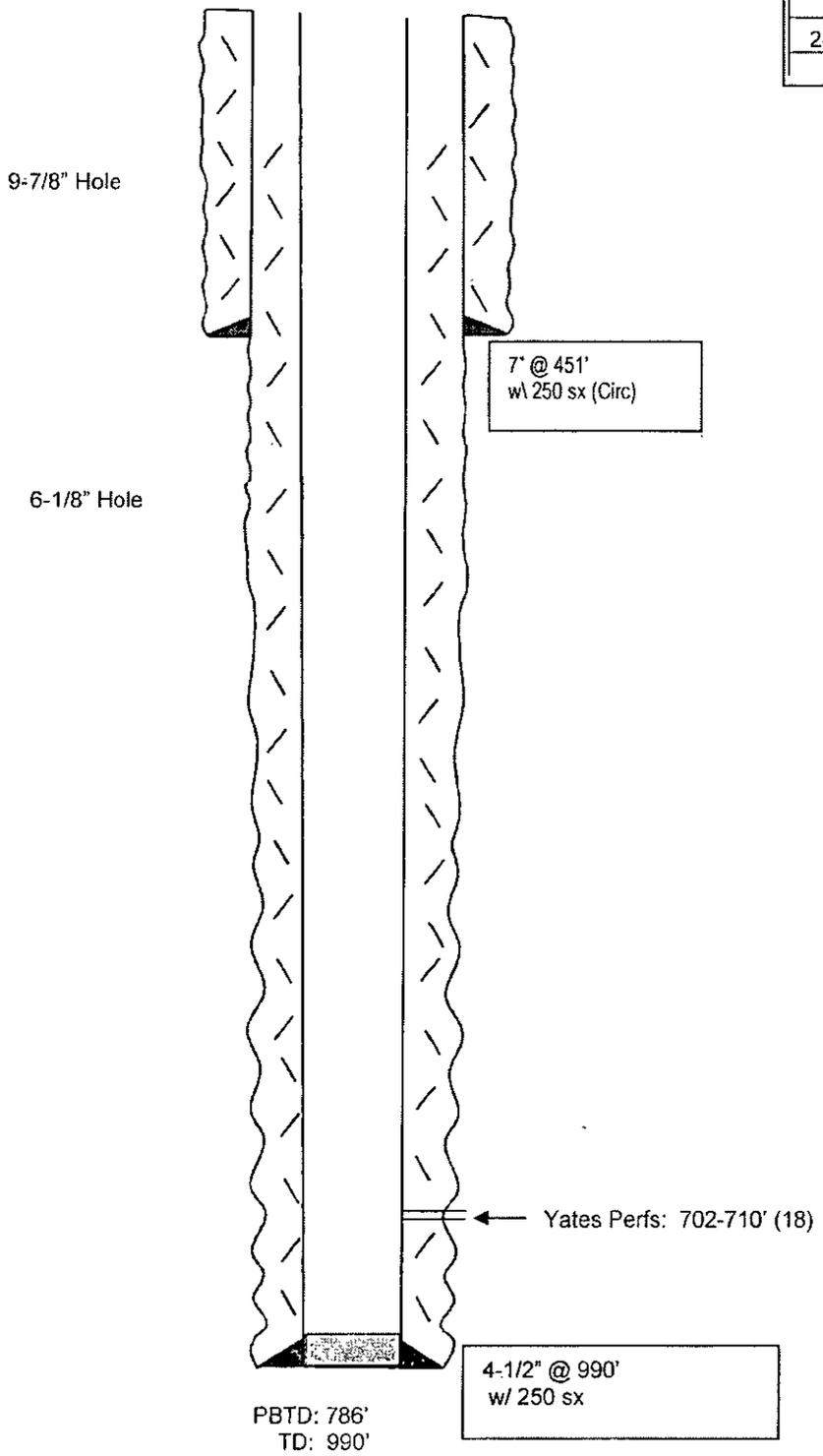
PBTD = 786'

CASING PROGRAM

7" 26 # J-55 LT&C	451'
4-1/2" 11.6#J-55 LT&C 329'	990'
2-3/8" EUE w/ packer at 665'	

**Before**

**TOPS**  
Yates 558'



Not to Scale  
08/09/16  
JMH

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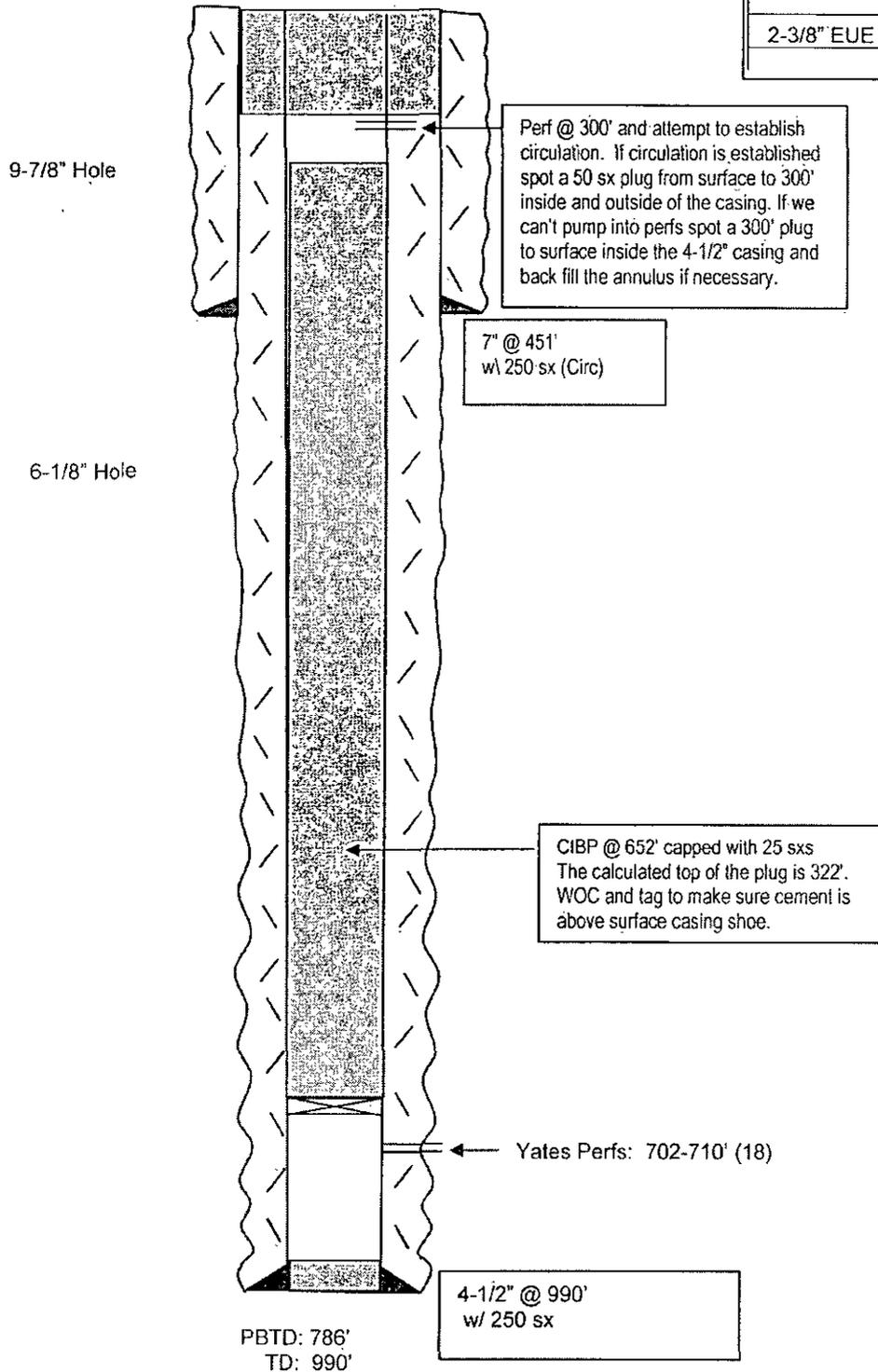
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7" 26 # J-55 LT&C		451'
4-1/2" 11.6# J-55 LT&C	329'	990'
2-3/8" EUE w/ packer at 665'		



Perf @ 300' and attempt to establish circulation. If circulation is established spot a 50 sx plug from surface to 300' inside and outside of the casing. If we can't pump into perfs spot a 300' plug to surface inside the 4-1/2" casing and back fill the annulus if necessary.

7" @ 451'  
w/ 250 sx (Circ)

CIBP @ 652' capped with 25 sxs  
The calculated top of the plug is 322'.  
WOC and tag to make sure cement is above surface casing shoe.

Yates Perfs: 702-710' (18)

4-1/2" @ 990'  
w/ 250 sx

PBTD: 786'  
TD: 990'

**After**

**TOPS**  
Yates .558'

Not to Scale  
08/09/16  
JMH

## 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, cement tops outside casing, 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, WOC and tagged. These plugs 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)