

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

OCT 14 2016  
RECEIVED  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO. 30-015-32028
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2597
7. Lease Name or Unit Agreement Name Flora AKF State
8. Well Number 4
9. OGRID Number 025575
10. Pool name or Wildcat Lost Tank; Delaware

**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 M : 990 feet from the South line and 330 feet from the West line  
Section 2 Township 22S Range 31E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,510' GR

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

<p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETIONS <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>CLOSED-LOOP SYSTEM <input type="checkbox"/></p> <p>OTHER: <u>Repair possible casing leak</u> <input checked="" type="checkbox"/></p>	<p><b>SUBSEQUENT REPORT OF:</b></p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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 test for possible casing leak. Isolate and squeeze holes in casing if necessary as follows:

1. MIRU well service unit and all necessary safety equipment. ND WH, NU BOP and TOH with production equipment.
2. Set packer at 6,850' and test RBP to 2000 psi. Release packer and test backside to 2000 psi.
3. If the casing tests good then latch on to RBP, release and TOH. TIH with production equipment, hang the well off and RDMO.
4. If the casing does not test good then begin isolating holes in casing, testing every 20 stands until leak is isolated. Isolate the leak to within one joint, if possible.
5. Try to establish a pump rate into the holes, limiting max pressure to 2000 psi. TIH, latch on to RBP, release and TOH with tools.
6. TIH with composite plug and cement retainer, set the composite plug 30' below leak and set retainer 30' above casing leak.
7. Establish pump rate into casing leak and squeeze at least 30 sx class "H" cement into casing leak. Sting out of retainer, reverse clean, POOH and WOC.

**CONTINUED ON NEXT PAGE:**

spud Date:  Rig Release Date:

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

SIGNATURE: Laura Watts TITLE: Advanced Regulatory Reporting Analyst DATE: October 12, 2016

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

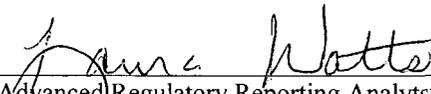
**For State Use Only**

APPROVED BY: Karen Sharp TITLE: Bus Oper Spec-Adv DATE: 10-14-16

Conditions of Approval (if any):

**Form C-103 continued:**

8. TIH with 4-3/4" bit and drill collars. Drill out cement and pressure test to 2000 psi. Drill out composite plug, circulate clean and POOH.
9. TIH with production equipment and hang the well on. RDMO well service unit and turn the well over to the Production Department.

  
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Advanced Regulatory Reporting Analyst  
October 12, 2016