

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007



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.

S

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 Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

2310'FNL & 990'FWL of Section 33-T18S-R25E (Unit E, SWNW)

5. Lease Serial No.

NM-27912

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Lincoln PC Federal #1

9. API Well No.

30-015-23738

10. Field and Pool, or Exploratory Area

Penasco Draw-SA-Yeso Assoc.

11. County or Parish, State

Eddy County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent 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 recomple 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 been completed, and the operator has determined that the site is ready for final inspection.)

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

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

1. Rig up safety equipment as needed.
2. RIH with gauge ring and junk basket to +/-2327'.
3. Set 4-1/2" CIBP at 2317' with 35' cement on top.
4. Circulate hole with salt gel mud and spot a 100' cement plug (25 sx) across the shoe from 973'-1073'. Tag plug.
5. Spot a 100' cement plug (25 sx) across the shoe from 270'-370'. Tag plug.
6. Spot a 100' cement plug (25 sx) from 100' to surface. Tag plug.
7. Cut of wellhead and install dry marker as per regulated.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

**Accepted for record
NMOC**

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

February 15, 2007

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 which would entitle the applicant to conduct operations thereon.

Office

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

APPROVED

FEB 21 2007

**FREDERICK WRIGHT
PETROLEUM ENGINEER**

WELL NAME: Lincoln PC Fed #1 FIELD: Penasco Draw
 LOCATION: 2,310' FNL & 990' FWL of Section 33-18S-25E Eddy Co., NM
 GL: 3,671' ZERO: _____ KB: _____
 SPUD DATE: 5/30/1981 COMPLETION DATE: _____
 COMMENTS: API No.: 30-015-23738

CASING PROGRAM

10-3/4" 40.5# N80	<u>320'</u>
7" 20# K55 LTC	<u>1,023'</u>
4-1/2" 9.5# J55 STC	<u>3,000'</u>

15" Hole

9-1/2" Hole

6-1/4" Hole

10-3/4" @ 320'
w/ 400 sx (Circ)

7" @ 1,023'
w/550 sx (Circ)

SA Perfs: 2,367-2,811' (26)

4-1/2" @ 3,000'
w/350 sx (Circ)

PBTD: 2,979'
TD: 3,000'

Before

TOPS

SA	660'
Glorieta	1,994'
Yeso	2,042'

**Accepted for record
NMOCD**

Not to Scale
1/25/07
DC/Moss

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CASING PROGRAM

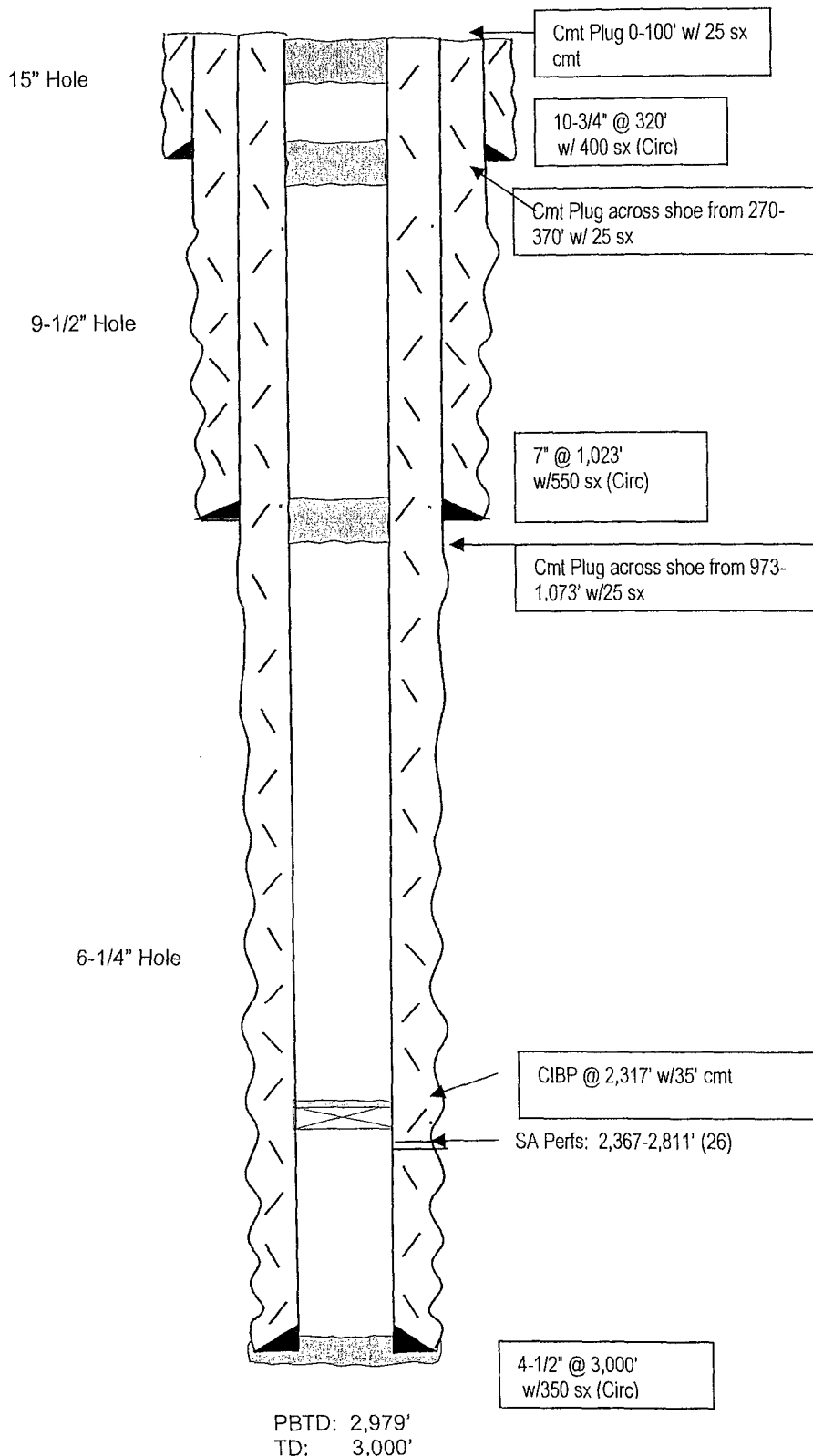
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SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to P/A this well with the following modifications to the program:
2. Spot a 30 sack plug on top of the plug @ 2317' or instead of that plug, for the top of the Glorietta as well as the perf plug.

*** All plugs, including the surface plug, should leave at least 25 sacks of cement inside the casing and be at least 100 feet, plus an additional 10% for each 1000 feet of depth.**

All of the work approved here must be completed within 90 days

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 2/21/07

**Accepted for record
NMOCD**