

Submit 1 Copy To Appropriate District Office
District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

WELL API NO.
30-015-28629
5. Indicate Type of Lease
STATE ☒ FEE ☐
6. State Oil & Gas Lease No.
L-1897

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

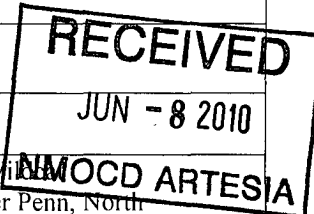
3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

7. Lease Name or Unit Agreement Name
NDDUP Unit

8. Well Number
3

9. OGRID Number
025575

10. Pool name or Well Name
Dagger Draw; Upper Penn, North



4. Well Location
Unit Letter C : 660 feet from the North line and 1980 feet from the West line
Section 16 Township 19S Range 25E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3510'GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING ☐ BAND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

Notify OGD 24 hrs. prior
to any work done.

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. NU BOP. Rig up any safety equipment as needed. No casing recovery will be attempted.
2. Set a CIBP at 7648' with 35' cement on top. This will place a plug over open Canyon perforations.
3. Spot a 160' cement plug from 5450'-5610'. This will leave a plug across Wolfcamp top.
4. Spot a 140' cement plug from 3419'-3559'. This will leave a plug across Bone Spring top.
5. We do not know where the TOC is a CBL was pulled from TD to 4000' and still showed good cement at 4000'.
6. Perforate at 2262'. Pressure test perforations to 500 psi, if they hold pressure spot a 120' cement plug inside casing, if not spot 120' cement plug inside and outside casing from 2142'-2262'. WOC and tag plug, reset if necessary. This will leave a plug across Glorieta top.
7. Perforate at 1215'. Pressure test perforations to 500 psi, if they hold pressure spot a 150' cement plug inside casing, if not spot a 150' cement plug inside and outside casing from 1065'-1215'. WOC and tag plug, reset if necessary. This will leave a plug across surface casing shoe.
8. Perforate at 150'. Tie on to casing and spot a 150' cement plug inside and outside casing from 0-150'. WOC and tag plug, reset if necessary. This will leave a plug from 150' up to surface.
9. Remove all surface equipment and weld dry hole marker per regulations.

Due to the volume of wells we currently have plans to plug, both State/Fee and Federal, Yates Petroleum respectfully requests a time frame of 1 year to have commenced plugging operations and for this notice of intent to be in affect

Spud Date:

Rig Release Date:

* - Required D.U. Tool CMT Plug 7246'-7346'

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 2, 2010

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

For State Use Only

APPROVED BY: [Signature] TITLE Approval Granted providing work is complete by 6/14/2010 DATE 6/14/2010
Conditions of Approval (if any):

WELL NAME: NDDUP Unit #3 FIELD: Dagger Draw
 LOCATION: 660' FNL & 1,980' FWL of Section 16-19S-25E Eddy Co., NM
 GL: 3,510' ZERO: 15' KB: 3,525'
 SPUD DATE: 10/19/95 COMPLETION DATE: 3/29/96
 COMMENTS: API No.: 30-015-28629
 (Formerly Aparejo APA #5)

CASING PROGRAM

9-5/8" 36# J-55	1,165'
7" 26# N-80 LT&C (1,289')	
7" 26# J-55 LT&C (1,204')	
7" 23# J-55 LT&C (2,486')	
7" 26# N-80 LT&C (2,105')	9,410'

Before

14-3/4" Hole

9-5/8" @ 1,165' w/1,650 sx (Circ)

TOC @ +/-2300'

8-3/4" Hole

DV tool @ 7,296'

Canyon Perfs: 7,698-7,834' (34)

CIBP @ 9,000' w/35' cmt plug

Morrow Perfs: 9,066-9,095' (96)

FC 9,368'
TD: 9,410'

7" @ 9,410' w/
1st Stage: 400 (circ)
2nd Stage: 1100 (Don't know if Circ)

TOPS

SA 750'
 Glorieta 2,212'
 BS 3,509'
 Abo 5,560'
 Canyon 7,650'

Not to Scale
 1/19/10
 DC/Hill

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14-3/4" Hole

AfterPerf @ 150'. 150'
plug surface plug

9-5/8" @ 1,165' w/1,650 sx (Circ)

Perf @ 1,215'. Spot 150' plug 1,065-1,215
across shoePerf @ 2,262'. Spot 120' plug 2,142-2,262'
across GL

TOC @ +/- 2300'

140' plug 3,419-3,559' across BS

160' plug 5,450-5,610' across WC

DV tool @ 7,296'

CIBP @ 7,648' w/35' cmt plug

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