Form 3160-5 UNITED STATES Artesia, NA 88210 FORM APPROVED		NM OIL CONS. C .I	SSION
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			7. If Unit or CA, Agreement Designation
P.O. Box 2232 Roswell, NM 88202 505-623-4935 10. Feld ad Pol, or Exploratory Aria 4 Instance if Well (Provide Sec. T. & M. or Survey Description) 2310' FNL & 330' FPL 11. Convey Aria 2310' FNL & 330' FPL 11. Convey Aria 11. Convey Aria 2310' FNL & 330' FPL 11. Convey Aria 11. Convey Aria 12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Stabuspeet Report Program Back New Construction Subsequent Report Program Back New Construction Privation of the Instructure Attemp Constructure New Construction 11 Describe Proposed or Completed Operations (Clearly state all pertinent deals), and give pertinent deals, for all particle at all one operations to the Instructure at Action form and a tay form) 11 Describe Proposed or Completed Operations (Clearly state all pertinent deals), and give pertinent deals is united attes of starting my proposed with the difty directionally duiled, give about the boots and measured and one vertical depths for all particle at all one is united attes of starting any proposed with the difty directionally duiled, give about the boots and and theree 13 Describe Proposed or Completed Operations of them well is directional dual during any proposed with the difty directionally duiled, give about the boots and theree 14 Interetry centry that the foreign a plate and derec	Name of Operator Yates Energy Corporation	Contraction of the second s	McMillan Fed # 1 9. API Well No.
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13 Describe Proposed or Completed Operations (Clearly state all periment deals, and give periment dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones periment to this work.)* PLEASE SEE ATTACHED WELL DIAGRAMS * Will notify BLM Representative in sufficient time to witness P & A. 14 Thereby certify that he foregoing is one and correct Signed Tate Engineer Date 5/12/93 (This space for Foderal or State office use) Approver by OKG SQD, IC & AWA The to Affect Add		Recompletion Plugging Back Casing Repair Altering Casing	New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection
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Signed Title Engineer Date 5/12/93 (This space for Federal or State office use) Approved by [ORIG_SCD_JOE G_ARA Title Title Date JUN 1000000000000000000000000000000000000	* Will notify BLM Representa	ative in sufficient time to w	itness P & A.
(This space for Federal or State office use) Date Approved by		The Engineer	5/12/93
	(This space for Federal or State office use) Approved by ORIG SCD, OE & ARA Conditions of approval, if any:	D. D. THANK MC WELV	JUN IT toga
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McMILLAN FEDERAL #1 2310' FNL & 330' FEL SEC 1, T20S, R26E EDDY COUNTY, NM NM 0491922

PRESENT STATUS

GL ELEVATION: 3392' 2 3/8", 4.7#, 8 RD EUE TBG @ 279' CASING: 8 5/8", 24# @ 245' W/ 100 SX OPEN HOLE: 245'- 83' (7 RVS) TD: 283'

McMILLAN FEDERAL #1 2310' FNL & 330' FEL SEC 1, T20S, R26E EDDY COUNTY, NM NM 0491922

PROPOSED STATUS

GL ELEVATION: 3392' 20 SX PLUG 50'- SURFACE 100 SX PLUG TD-150' CASING: 8 5/8", 24# • 245' W/ 100 SX OPEN HOLE: 245'- 83' (7 RVS) TD: 283'

BUREAU OF LAND MANAGEMENT DARLSBAD RESOURCE AREA

Permanent Abandonment of Wells on Federal Lands

Conditions of Approval

1. <u>Approval:</u> Plugging operations shall commence within 90 days from the approval date of plugging procedure.

2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Eddy County call (505)887-6544 ; for wells in Lea County call (505) 393-3612.

3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. <u>Cement Requirement:</u> Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs./gal. with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 feet plugs, mixed at 16.4 lbs./gal. with 4.3 gallons of fresh water per sack.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator. the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. <u>Subsequent Plugging Reporting</u>: Within 30 days after plugging work is completed. file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show <u>date</u> well was plugged.

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.