

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FEB 12 2014
NMOCD ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
ROW NM-29683
6. If Indian, Allottee or Tribe Name
NA

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well
 Oil Well Gas Well Other SWD

8. Well Name and No.
Monsanto Foster SWD #1

2. Name of Operator
Yates Petroleum Corporation

9. API Well No.
30-015-10340

3a. Address
105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)
575-748-1471

10. Field and Pool or Exploratory Area
SWD; Devonian

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)
660'FNL and 660'FWL of Section 5-T20S-R25E (Unit D, NWNW)

11. County or Parish, State
Eddy County, New Mexico

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other <u>MIT</u>
	<input type="checkbox"/> Change Plans	<input 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BLM DOES NOT HAVE AUTHORITY TO ISSUE ATTACHED ORDER.

- 8/12/13 - NU BOP.
 - 8/13/13 - Opened up well, had no pressure.
 - 8/14/13 - Opened up well, had no pressure. Set RBP at 5009'. Loaded hole with 30 bbls brine water. Set packer at 5005'. Pressure tested RBP to 450 psi for 15 min, held good. Pressure tested casing from 5009' to surface, held 400 psi for 15 min. Released tools and TIH to 9295', set RBP. Loaded hole with 30 bbls brine water. Pressure tested casing to 420 psi, bled down to 375 psi in 30 min.
 - 8/16/13 - Opened up well, had no pressure. Set packer at 10,122'. Took 25 bbls brine water to load hole. Pressure tested casing to 290 psi, bled down to 260 psi in 30 min. Released packer.
 - 8/18/13 - Start in hole with packer, hydrotest tubing to 5000 psi above slips.
 - 8/19/13 - Opened up well, had no pressure. Continued testing 3-1/2 inch tubing to 5000 psi above slips. Leave packer swinging at 10,122'. Circulated 125 bbls packer fluid. ND BOP. Tested casing to 300 psi.
 - 8/21/13 - Opened up well, had 50 psi on casing. Bled down all air. Pressure tested casing to 480 psi, in 30 min pressure bled down to 455 psi. ASI-X nickel plated packer and 3-1/2 inch 9.2Lb J-55 plastic coated tubing at 10,122'. NOTE: Randy Dade with NMOCD-Artesia witnessed test.
- Copy of chart attached and original chart sent to NMOCD-Artesia on 8/26/13. *See Attached order*

Accepted for record
NMOCD RF 2/17/14

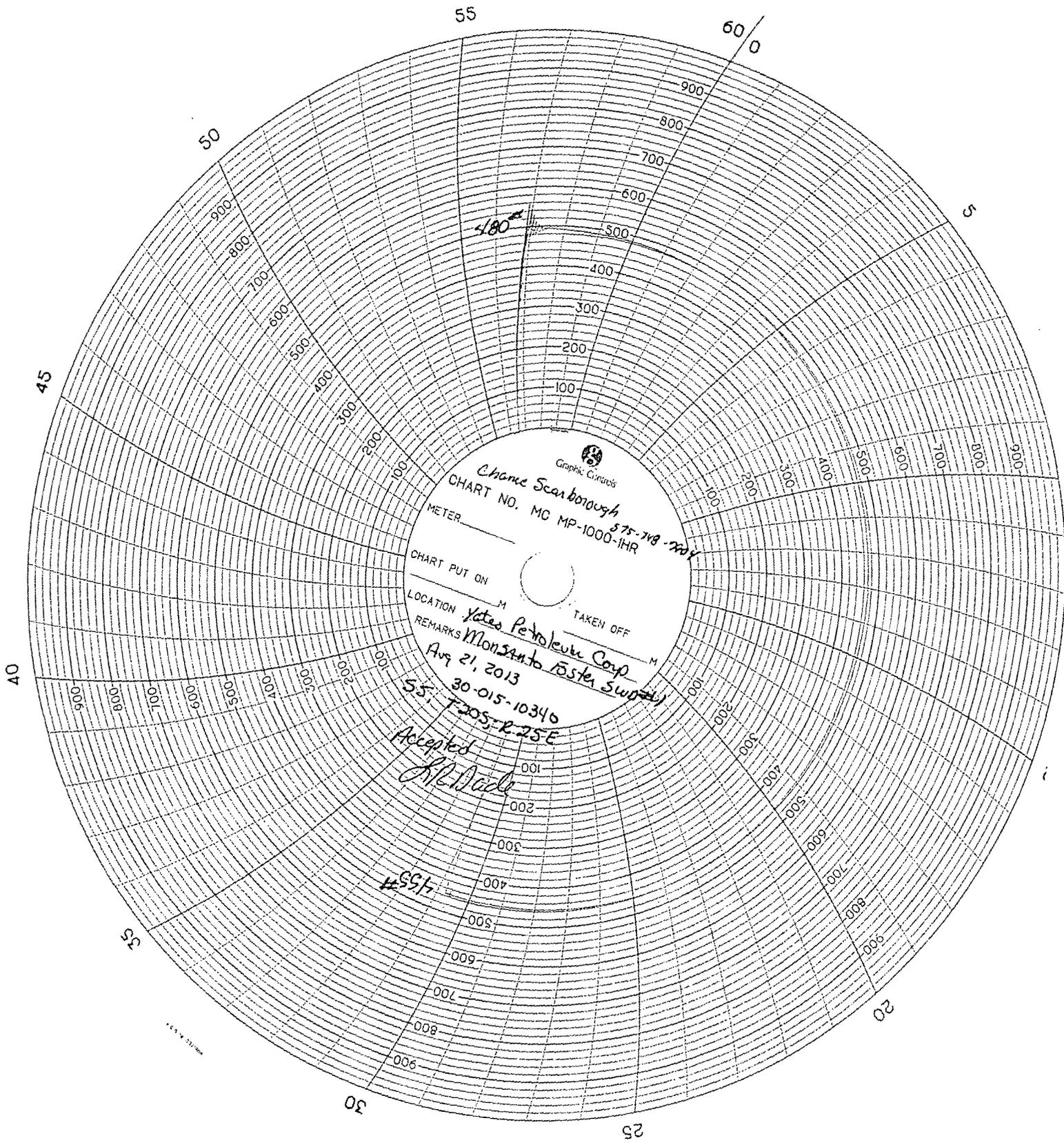
14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed) Tina Huerta
Signature *Tina Huerta*

Title Regulatory Reporting Supervisor
Date August 26, 2013

ACCEPTED FOR RECORD
1/s/ Chris Walls
FEB 10 2014
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
Approved by _____ Title _____
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



Change Scarborough
CHART NO. MC MP-1000-IHR
METER _____

CHART PUT ON _____ M
LOCATION Yates Petroleum Corp M
REMARKS Mon Santa Rosta Supply

Aug 21, 2013
30-015-10340
55-7205-R-25E

Accepted
[Signature]

4557

Order of the Authorized Officer

**Yates Petroleum Corporation
Monsanto Foster SWD 1
API 3001510340 T20S-R25E, Sec 05
February 10, 2014**

BLM NOT
AUTHORIZED

Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
- 2) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with a minimum 200 psig differential between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
- 3) Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
- 4) Notify BLM 575-200-7902 , if there is no response, 575-361-2822 as work begins. Some procedures are to be witnessed. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 5) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
- 6) Use of tubing internal protection, tubing on/off equipment just above the packer, a profile nipple, and an in line tubing check valve below the packer or between the on/off tool and packer is a "Best Management Practice". The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
- 7) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 8) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization. Approved injection pressure compliance is required. If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.

- 9) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum. Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 10) Unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 11) Maintain the annulus full of packer fluid at atmospheric pressure. Installation of equipment that will display continuous open to the air packer fluid level above the casing vent is required for this disposal well.**
- 12) Notify the BLM's authorized officer ("Paul R. Swartz" <pswartz@blm.gov>, cell phone 575-200-7902) on or before 01/15/2014 to arrange for approval of the annular monitoring system.**
- 13) Loss of packer fluid above five barrels per month indicates a developing problem. Notify BLM Carlsbad Field Office, Petroleum Engineering within 5 days.
- 14) A suggested format for monthly records documenting that the casing annulus is fluid filled is available from the BLM Carlsbad Field Office.
- 15) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia.
- 16) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of installed equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer. The setting depths and descriptions of each are to be included in the subsequent sundry. List daily descriptions of any previously unreported wellbore workover(s) and reason(s) the well annular fluid was replaced.

Access information for use of Form 3160-5 "Sundry Notices and Reports on Wells"

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.