

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

| |
|---|
| WELL API NO. 30-005-61537 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name Bozarth UC Com |
| 8. Well Number 1 |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Pecos Slope; Abo |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3640'GR |

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 P : 660 feet from the South line and 660 feet from the East line
 Section 22 Township 7S Range 25E NMPM Chaves County

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

| | | | |
|--|--|--|--|
| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input checked="" type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| CLOSED-LOOP SYSTEM <input type="checkbox"/> | | | |
| OTHER: <input type="checkbox"/> | | OTHER: <input type="checkbox"/> | |

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:

- MIRU all safety equipment as needed. NU BOP. TOH with production equipment.
- Open back side and pump a 70 sx Class "C" cement plug behind 8-5/8" and 7" casing. If cement does not circulate, continue plugging out well and see step 7.
- Set a CIBP at 3545' with 35' Class "C" cement on top. This will cover the top of the Abo.
- Perforate at 1630'. Spot a 40 sx Class "C" cement plug from 1380'-1630'. This will cover 7" casing shoe and top of the Glorieta inside and outside of the casing. WOC.
- Tag cement at 1380'. Perforate at 878'. Spot a 25 sx Class "C" cement plug from 778'-878'. This will cover top of the 8-5/8" casing shoe inside and outside of the casing. WOC.
- Tag cement at 778'. Perforate at 435'. Spot a 70 sx Class "C" cement plug from 435' up to the surface. This will cover top of the San Andres and the surface plug inside and outside casing.
- Cut off wellhead. If plug in step 2 was unsuccessful backfill cement between 7" and 8-5/8" casing.
- Install dry hole marker and clean location.

Wellbore schematics attached

Spud Date:

Rig Release Date:

Approved for plugging of well bore only.
 Liability under bond is retained pending receipt of (C-103) (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Form: www.emnrd.state.nm.us/oed.

NM OIL CONSERVATION
 ARTESIA DISTRICT
 JAN 19 2016
 RECEIVED

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE January 15, 2016

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

For State Use Only
 APPROVED BY: Tina Huerta TITLE 1st Supervisor DATE 1/20/2016
 Conditions of Approval (if any): * See Attached COA's

WELL NAME: Bozarth UC Com #1 FIELD: _____

LOCATION: 660' FSL & 660' FEL Sec. 22-7S-25E Chaves Co., NM

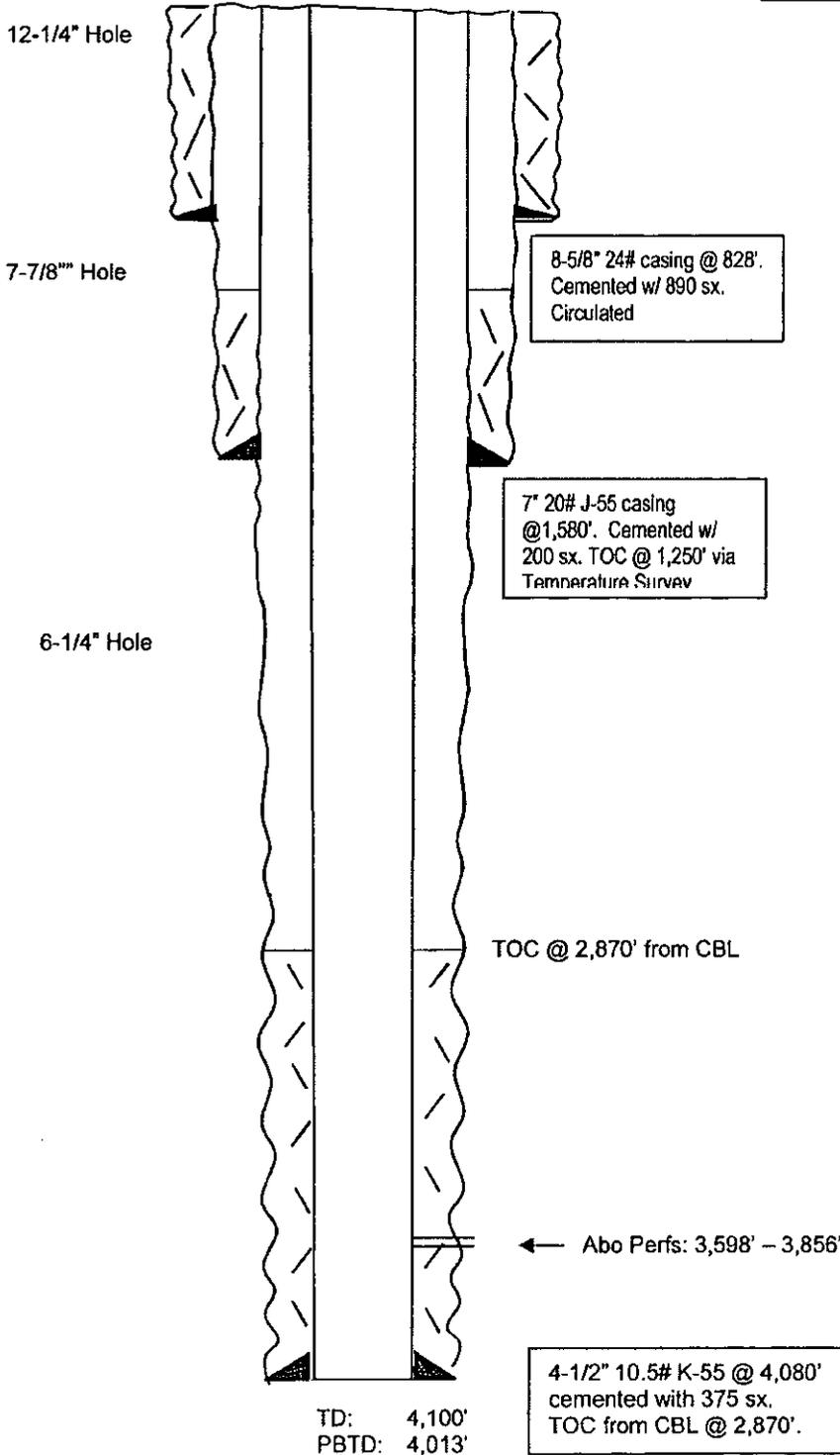
GL: 3,640' ZERO: _____ KB: _____

SPUD DATE: 04/16/1982 COMPLETION DATE: 05/24/1982

COMMENTS: API No.: 30-005-61537

CASING PROGRAM

| | |
|-------------------------|--------|
| 8-5/8" 24 # J-55 & K-55 | 828' |
| 7" 20# J-55 | 1,580' |
| 4-1/2" 10.5# K-55 | 4,080' |
| | |



Before

| TOPS | |
|-------------|--------|
| San Andres | 385' |
| Glorieta | 1,430' |
| Abo | 3,545' |

4-1/2" 10.5# K-55 @ 4,080'
cemented with 375 sx.
TOC from CBL @ 2,870'.

Not to Scale
09/21/2015
SAA

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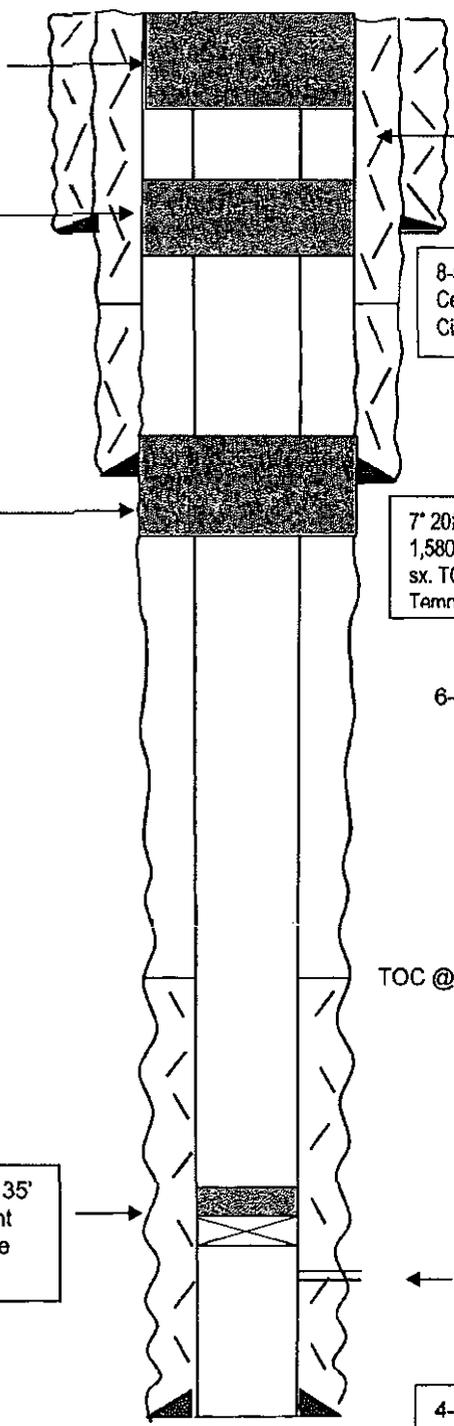
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| | |

Perfs @ 435'. 435' (70sx) class "C" plug from 435' to surface covering the San Andres.

Perfs @ 778'. 100' (25sx) class "C" plug from 778'-878' covering the 8-5/8" casing shoe.

Perfs @ 1,630'. 250' (40sx) class "C" plug from 1,380'-1,650' covering the top of the Glorieta and 7' casing shoe.

CIBP @ 3,545' w/ 35' of class "C" cement on top covering the top of the Abo.



12-1/4" Hole
70sx class "C" plug between the 8-5/8" and 7" from TOC @ 1,250' to surface. Backfill as needed

8-5/8" 24# casing @ 828'. Cemented w/ 890 sx. Circulated

7" 20# J-55 casing @ 1,580'. Cemented w/ 200 sx. TOC @ 1,250' via Temperature Survey

4-1/2" 10.5# K-55 @ 4,080' cemented with 375 sx. TOC from CBL @ 2,870'.

After

TOPS

| | |
|------------|--------|
| San Andres | 385' |
| Glorieta | 1,430' |
| Abo | 3,545' |

TD: 4,100'
PBTD: 4,013'

Not to Scale
09/21/2015
SAA

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Yates Petroleum
Well Name & Number: Bozath uc COM #1
API #: 30-005-6537

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private - shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**
9. **Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.**
10. **Plugs may be combined after consulting with and getting approval from NMOCD.**
11. **Minimum WOC time for tag plugs will be 4 Hrs.**
12. **19.15.7.16 : B.** In the case of a dry hole, a complete record of the well on form C-105 with the attachments listed in Subsection A of 19.15.7.16 NMAC shall accompany the notice of intention to plug the well, unless previously filed. The division shall not approve the plugging report or release the bond the operator has complied with 19.15.7.16 NMAC.

DATE: 1/20/2016

APPROVED BY: RD

N.M.O.C.D.- Guidelines For Plugging

- All cement plugs will be a minimum of 100' in length, or a minimum of 25sx. Of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sx. Of gel per 100 bbls. Of water.
- A cement plug is required to be set 50' below, and 50' above all casing shoes, and casing stubs. **These plugs must be tagged.**
- A CIBP with 35' of cement on top, may be set instead of 100' plug.
- A plug as indicated above, must be placed within 100' of top perforation. **This plug must be tagged.**
- Plugs set above and below all salt zones, **must be tagged.**
- No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.
- D.V. tools are required to have a 100' cement plug set 50' above, and 50' below the tool. **This plug must be tagged.**

Formations to be isolated with plugs placed at the top of each formation are:

- Fusselman
- Devonian
- Morrow
- Wolfcamp
- Bone Springs
- Delaware
- Any salt section (plug at top and bottom)
- Abo
- Glorietta
- Yates (this plug is usually at base of salt section)

If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths, or casing must be perforated and squeezed behind casing at the formation depths.

In the R-111P area (Potash mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.