

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

**NM OIL CONSERVATION DIVISION**  
**ARTESIA DISTRICT**  
**Office of Minerals and Natural Resources**

OCT 14 2016

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
 Santa Fe, NM 87505

RECEIVED

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-32028
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. V-2597
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Flora AKF State
4. Well Location Unit Letter <u>M</u> : <u>990</u> feet from the <u>South</u> line and <u>330</u> feet from the <u>West</u> line Section <u>2</u> Township <u>22S</u> Range <u>31E</u> NMPM <u>Eddy</u> County		8. Well Number 4
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,510' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Lost Tank; Delaware

## 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 COMPLETIONS ☐  
 DOWNHOLE COMMINGLE ☐  
 CLOSED-LOOP SYSTEM ☐  
 OTHER: ☒ Repair possible casing leak

## SUBSEQUENT REPORT OF:

- REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ P AND A ☐  
 CASING/CEMENT JOB ☐  
 OTHER: ☐

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 test for possible casing leak. Isolate and squeeze holes in casing if necessary as follows:

1. MIRU well service unit and all necessary safety equipment. ND WH, NU BOP and TOH with production equipment.
2. Set packer at 6,850' and test RBP to 2000 psi. Release packer and test backside to 2000 psi.
3. If the casing tests good then latch on to RBP, release and TOH. TIH with production equipment, hang the well off and RDMO.
4. If the casing does not test good then begin isolating holes in casing, testing every 20 stands until leak is isolated. Isolate the leak to within one joint, if possible.
5. Try to establish a pump rate into the holes, limiting max pressure to 2000 psi. TIH, latch on to RBP, release and TOH with tools.
6. TIH with composite plug and cement retainer, set the composite plug 30' below leak and set retainer 30' above casing leak.
7. Establish pump rate into casing leak and squeeze at least 30 sx class "H" cement into casing leak. Sting out of retainer, reverse clean, POOH and WOC.

## CONTINUED ON NEXT PAGE:

spud Date:

Rig Release Date:

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

SIGNATURE Laura Watts TITLE Advanced Regulatory Reporting Analyst DATE October 12, 2016

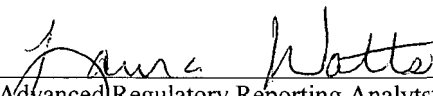
Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

## For State Use Only

APPROVED BY: Karen Sharp TITLE Bus Oper Spec-Adv DATE 10-14-16  
 Conditions of Approval (if any):

**Form C-103 continued:**

8. TIH with 4-3/4" bit and drill collars. Drill out cement and pressure test to 2000 psi. Drill out composite plug, circulate clean and POOH.
9. TIH with production equipment and hang the well on. RDMO well service unit and turn the well over to the Production Department.

  
\_\_\_\_\_  
Advanced Regulatory Reporting Analyst  
October 12, 2016