

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

I&amp;E - CTO

FORM APPROVED  
OMB No 1004-0135  
Expires March 31, 2007

## SUNDRY NOTICES AND REPORTS ON WELLS

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

OCD-ARTESIA

5 Lease Serial No.  
NM-0489599

6 If Indian, Allottee or Tribe Name

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

8 Well Name and No

Arco El Federal #1

9 API Well No

30-015-21591

10 Field and Pool, or Exploratory Area

Undesignated Bone Spring

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1 Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2 Name of Operator

Yates Petroleum Corporation

AUG 24 2007

OCD-ARTESIA

3a Address

105 S. 4th Str., Artesia, NM 88210

3b Phone No. (include area code)

505-748-1471

4 Location of Well (Footage, Sec., T., R., M., OR Survey Description)

2310'FSL &amp; 660'FEL of Section 13-T21S-R26E (Unit I, NESE)

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                   | TYPE OF ACTION                                |  |  |   |
|--|---|--|--|---|
| <input checked="" 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 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 type="checkbox"/> Other          |
|  | <input type="checkbox"/> Change Plans         | <input checked="" 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 shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. Rig up all safety equipment as needed.
2. Perforate 4 squeeze holes at 4787'. Tie onto casing and establish circulation. After circulation has been established, TIH with packer and set at a safe distance above the squeeze perforations. Pump 50 sx Class "C" cement. Displace cement to 4618'. This will leave a plug across the BS top at 4668' while meeting the 2000' plug spacing requirement in open or non-cemented hole. WOC and tag.
3. Perforate 4 squeeze holes at 2750'. Tie onto casing and establish circulation. After circulation has been established, TIH with packer and set at a safe distance above the squeeze perforations. Pump 50 sx Class "C" cement. Displace the cement to 2650'. This will leave a plug across intermediate casing shoe. WOC and tag.
4. Perforate 4 squeeze holes at 550'. Tie onto casing and establish circulation. After circulation has been established, TIH with packer and set at a safe distance above the squeeze perforations. Pump 50 sx Class "C" cement. Displace the cement to 450'. This will leave a plug across surface casing shoe. WOC and tag.
5. Perforate 4 squeeze holes at 150'. Tie onto casing and establish circulation. After circulation has been established, Pump 50 sx Class "C" cement. Do not displace the cement. This will leave 150' surface plug. WOC and tag. Cut off wellhead and install dry hole marker as per regulations.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

February 20, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

JUN 14 2007

LES BABYAK

PETROLEUM ENGINEER

Approved by

Title

Date

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

SEE ATTACHED FOR

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.

CONDITIONS OF APPROVAL

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

INSPECTION RECORD - ABANDONMENT

|   |  |   |                            |
|---|--|---|----------------------------|
| Lease No./Unit/CA<br>NMNM0489599  | State<br>NM  | District<br>CARLSBAD FIELD OFFICE                   | Field Area<br>UNDESIGNATED |
| Well Name:<br>ARCO EI   | Well Number:<br>1                                      | Hazard?<br>No                                       |                            |
| API No.<br>300152159100S2   | Location 1/4, 1/4, S-T-R (Lat/Long)<br>NESE 13 21S 26E | Spud Date<br>07/28/1975                             | Status<br>TA               |
| Operator/Representative<br>YATES PETROLEUM CORPORATION  |  | Rig/Contractor/Representative<br><i>Mayo Morris</i> |                            |
| Well Type: (Circle One)<br><div style="display: flex; justify-content: space-around;"> <span>Dry Hole</span> <span>Depleted Producer</span> <span>Service</span> <span>Water Well</span> <span>Etc.</span> </div> |  |   |                            |

| NSP.<br>TYPE | ACT.<br>CODE | INSPECTOR    | OPEN<br>DATE | CLOSED<br>DATE | OFFICE<br>TIME | TRAVEL<br>TIME | INSPECT.<br>TIME | TRIPS |
|--------------|--------------|--------------|--------------|----------------|----------------|----------------|------------------|-------|
| PD           | PD           | T Cortwright | 8-8-07       | 8-9-07         | 1              | 2              | 10               | 4     |
| PD           | SA/H5        | T Cortwright | 8-8-07       | 8-9-07         | 0              | 0              | .5               |       |

| PLUGGING OPERATIONS  | WITNESSED |    |     |
|--|-----------|----|-----|
|  | YES       | NO | N/A |
| 1. Plugs spotted across perforations if casing set?        | ✓         |    |     |
| 2. Plugs spotted at casing stubs?                          |           |    | ✓   |
| 3. Open hole plugs spotted as specified?                   |           |    | ✓   |
| 4. Retainers, bridge plugs, or packers set as specified?   | ✓         |    |     |
| 5. Cement quantities as specified?                         | ✓         |    |     |
| 6. Method of verifying and testing plugs as specified?     | ✓         |    |     |
| 7. Pipe withdrawal rate satisfactory after spotting plugs? | ✓         |    |     |
| 8. All annular spaces plugged to surface?                  | ✓         |    |     |
| 9. INC issued?   |           | ✓  |     |

Plug Tested: ☐ No ☐ Pressured ☒ Tagged

If tested, which plug(s): all plugs

|  |                             |                                |
|--|-----------------------------|--------------------------------|
| Bottom Plug: Type Plug <u>Cement</u>   | Depth(s) <u>4787'-4429'</u> | Amount of Cement <u>25 SXS</u> |
| <u>purfed hole hold pressure at 800 psi. Ran 25 SXS plug in 5 1/2" casing</u>    |                             |                                |
| Stub Plug: Type Plug <u>Cement</u>   | Depth(s) <u>2750'-2400'</u> | Amount of Cement <u>50 SXS</u> |
| <u>purfed hole and squeezed cement into 8 1/8 casing</u>                         |                             |                                |
| Intermediate Plug: Type Plug <u>Cement</u>                                       | Depth(s) <u>550'-359'</u>   | Amount of Cement <u>50 SXS</u> |
| <u>purfed hole and squeezed cement into 8 1/8 casing</u>                         |                             |                                |
| Surface Shoe Plug: Amount of Cement _____  | Top of Plug _____           |                                |
| Other: Type of Plug <u>Cement</u>  | Depth(s) <u>150'-0'</u>     | Amount of Cement <u>40 SXS</u> |
| <u>purfed hole and squeezed cement into 8 1/8 casing. Cement came to surface</u> |                             |                                |

Cement and mechanical plug placement data(attach service company report, if available): \_\_\_\_\_

Remarks:

Accepted for record  
NMOCD

# Inspection Remarks

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Case Number  
NMNM0489599

Type  
311211

Case Name  
ARCO EI

Operator  
YATES PETROLEUM CORPORATION

Insp Type  
PD

Open Date  
08/07/2007

Close Date  
08/09/2007

Identifier  
PD

Date  
08/10/2007

Author  
TERRY CARTWRIGHT

Subject  
INSP

Category  
GENERAL

API / Fac ID  
3001521591

Well / Fac Name  
ARCO EI

Number  
1

Category  
GENERAL

Date  
08/10/2007

8/7/07 1:30pm circulated hole and TIH and purged hole at 4787'. 8/8/07 9:00am pressured up casing held 800 psi pumped 25 sxs.woc and tagged at 4429'. purged at 2750' and pumped 50 sxs at 2:30 pm woc. 8/9/07 7:00 am tagged at 2400 purged at 550'. 9:15 am pumped 50 sxs and woc. Tagged at 359'. purged at 150' and pumped 40 sxs to surface plugging job is complete.

Accepted for record  
NMOCD

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10-Aug-2007 06:34

## Inspection / Activities for NMNM0489599

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| Act | Open Date  | Close Date | Inspector  | Purchaser/Contractor | Ofc Hrs | Tvl Hrs | Fld Hrs | Trips | Ttl Hrs |
|-----|------------|------------|------------|----------------------|---------|---------|---------|-------|---------|
| PD  | 08/07/2007 | 08/09/2007 | CARTWRIGHT | MAYO MARRS           | 1.0     | 2.0     | 10.0    | 4     | 13.0    |
| HS  | 08/07/2007 | 08/09/2007 | CARTWRIGHT | MAYO MARRS           |         |         | 0.3     |       | 0.3     |
| SA  | 08/07/2007 | 08/09/2007 | CARTWRIGHT | MAYO MARRS           |         |         | 0.2     |       | 0.2     |

Accepted for record  
NMOCD