

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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.

N.M. Oil Cons. Division
811 S. 1st Street
Artesia, NM 88210-2934

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. LC-056014
2. Name of Operator Yates Petroleum Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 105 S. 4th St. - Artesia, NM 88210	3b. Phone No. (include area code) 505-748-1471	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2600' FNL & 1200' FWL of Section 10-T18S-R29E (Unit E, SWNW)		8. Well Name and No. WLHU G4S Unit Tract 8A-3
		9. API Well No. 30-015-20035
		10. Field and Pool, or Exploratory Area Loco Hills-Q-GB-SA
		11. County or Parish, State Eddy Co., NM

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 recomplete 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 recompletion 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.)

Propose to plug and abandon as follows:

1. Set CIBP at 2516'. TIH with tubing and tag CIBP. Load hole with plugging mud. Spot a 40 sack Class C cement plug from 2516-1937'. TOOH with tubing.
2. Perforate 4-1/2" casing with 4 holes at 1010' and 4 holes at 432'.
3. TIH with wireline set cement retainer and set retainer at 910'. TOOH. TIH with tubing and sting into retainer. Establish an injection rate. Squeeze with 50 sacks Class C cement. Leave 35' of cement on top of retainer. TOOH with tubing.
4. TIH with wireline set cement retainer and set retainer at 332'. TOOH. TIH with tubing. Sting into retainer. Establish circulation. Squeeze with 60 sacks Class C cement with 2% CaCl₂ from near the surface to 432'. Leave 35' of cement on top of retainer. TOOH with tubing. If circulation was not established during this stage, perforate 4-1/2" casing with 4 holes at 277'. Tie onto 4-1/2" casing and establish circulation. Attempt to circulate cement to surface with an additional 60 sacks of Class C cement with 2% CaCl₂.

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

CONTINUED ON NEXT PAGE:

Rusty Klein

Title Operations Technician

Signature

Date June 17, 2001

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

SEE ATTACHED FOR

Title

Conditions of approval of this application does not warrant or certify that the applicant is qualified or that the proposed operations in the subject lease which would entitle the applicant to conduct operations thereon.

Office

APPROVED

Date JUL 30 2001

GARY GOURLEY
PETROLEUM ENGINEER

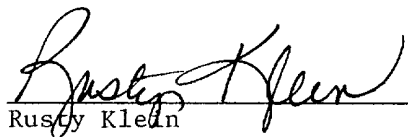
RECEIVED
JUL 13 01
BIRMINGHAM, AL

YATES PETROLEUM CORPORATION
WLHU G4S Unit Tract 8A-3
Section 10-T18S-R29E
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

5. Spot a 15 sack Class C cement plug at surface.
6. Install regulation abandonment marker.

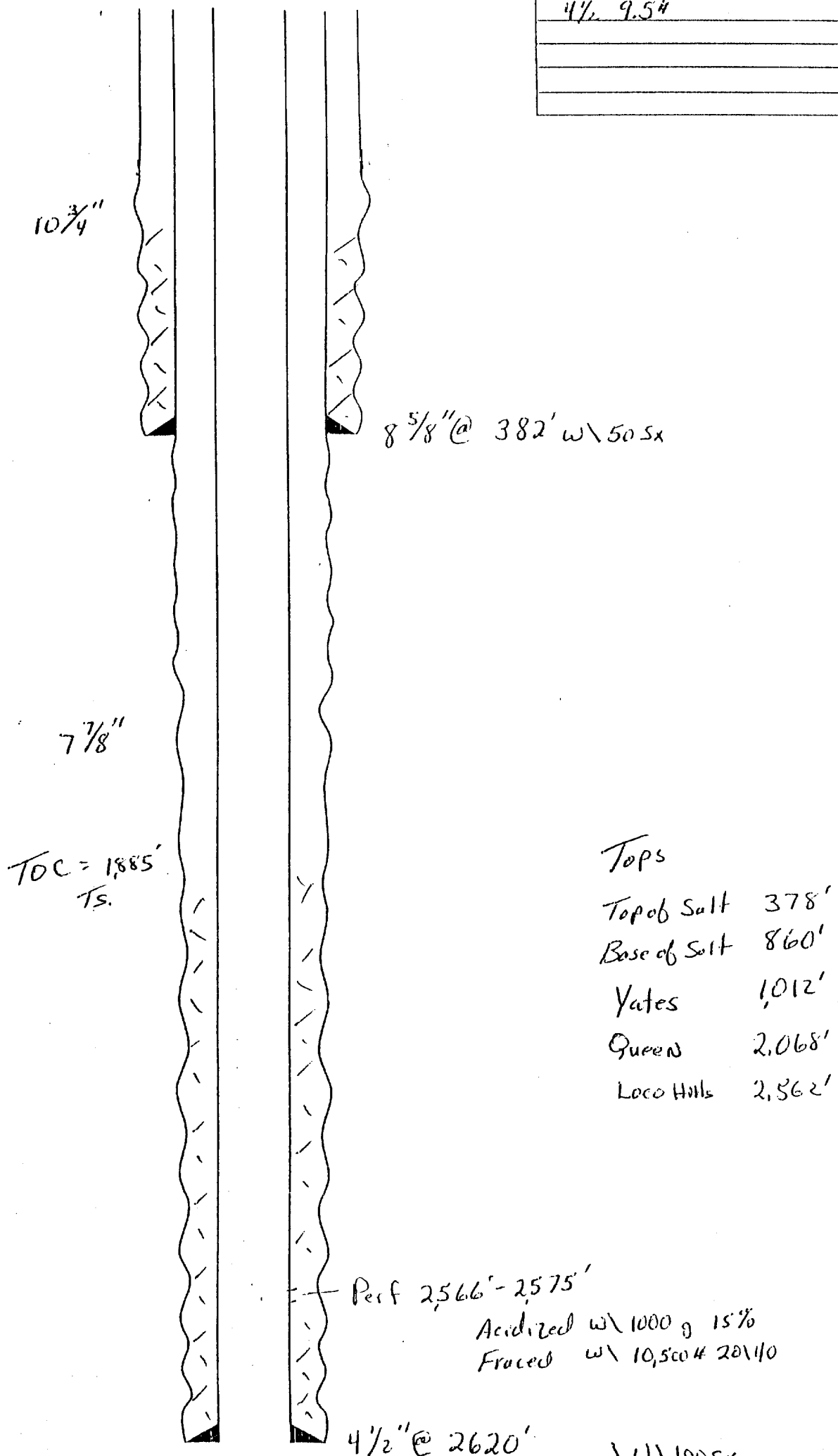
NOTIFY BLM-CARLSBAD (505-234-5909) AND OCD-ARTESIA (505-748-1283) 24 HOURS PRIOR TO COMMENCING PLUGGING OPERATIONS



Rusty Klein
Operations Technician
June 17, 2001

WELLNAME: Tract 8A Well No. 3 FIELD: WLHU
 LOCATION: Unit Keller E, 2600' FNL & 1200' FWL, Sec 10, T18S, R29E, Eddy Co. NM
 GL: 3494 ZERO: _____ AGL: _____ KB: 3502
 SPUD DATE: 4-13-62 COMPLETION DATE: _____
 COMMENTS: _____

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
8 7/8" 24 H	382'
4 1/2" 9.5#	2,620'



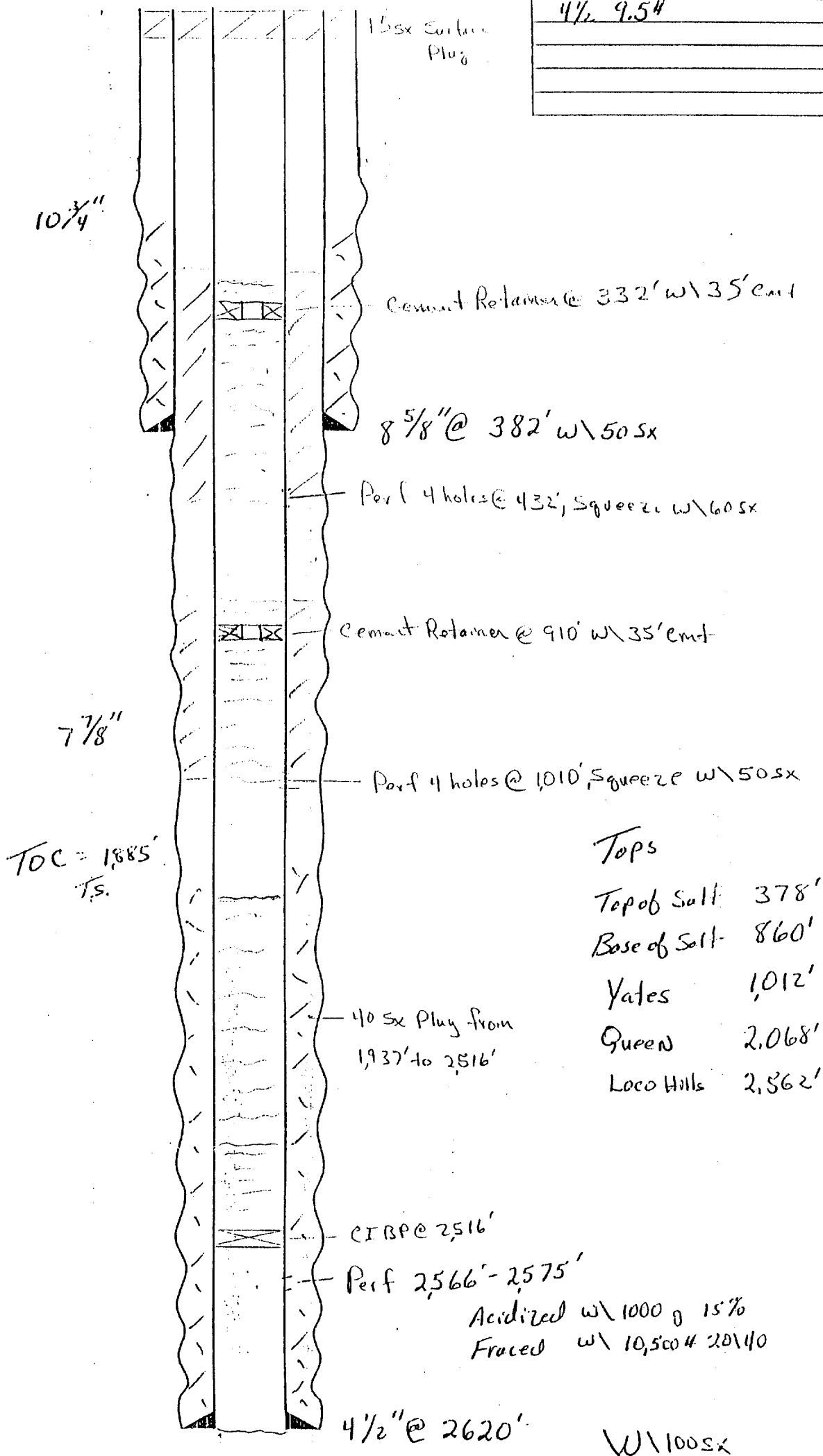
Tops
 Top of Salt 378'
 Base of Salt 860'
 Yates 1012'
 Queen 2,068'
 Loco Hills 2,562'

- SKETCH NOT TO SCALE -

DATE: 3-27-01 HA

WELLNAME: Tract 8A Well No. 3 FIELD: WLHU
 LOCATION: Unit 1, Sec E, 2600' FNL, 1200' FWL, Sec 10, T18S, R29E, Eddy Co. NM
 GL: 3494 ZERO: _____ AGL: _____ KB: 3502
 SPUD DATE: 4-13-67 COMPLETION DATE: _____
 COMMENTS: _____

CASING PROGRAM	
SIZE/WT/GR/CONN	DEPTH SET
8 7/8" 24 H	382'
4 1/2" 9.5#	2,620'



Tops

Top of Salt	378'
Base of Salt	860'
Yates	1012'
Queen	2,068'
Loco Hills	2,562'

- SKETCH NOT TO SCALE -

W/ 100sx
 DATE: 3-27-01 HH

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
505-627-0272

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within thirty (30) days from the approval date of this Notice of Intent to Abandon.
2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 505-627-0272, Eddy County call 505-234-5972; for wells in Lea County call 505-393-3612.
3. Blowout Preventers: 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. Mud Requirement: 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. Cement Requirement: 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. Subsequent Plugging Reporting: 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 date well was plugged.
8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

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

(rev. 5/30/2000)

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