Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

N.M. Oil Cc... Division 811 S. 1st Street Artesia, NM 88210-2836 No. 1004-0135 Expires November 30, 2000

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BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NM-56350 SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter ap-6. If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals 293031 SUBMIT IN TRIPLICATE - Other instructions on referse side? 7. If Unit or CA/Agreement, Name and/or No. 1. Type of Well Oil Well A Gas Well Other 8. Well Name and No. Name of Operator Lowe Staple AMR Federal Com #1 Yates Petroleum Corporation 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-015-10040 105 S. 4th St. - Artesia, NM 88210 505-748-1471 or one 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Wildcat Morrow Surface: 1650' FSL & 2310' FWL of Sec. 22-T21S-R24E (K, NESW) 11. County or Parish, State BHL: 660' FSL & 660' FWL of Section 22-T21S-R24E (Unit M, SWSW) Eddy Co., NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) ☐ Water Shut-Off Notice of Intent Alter Casing Fracture Treat ■ Reclamation Well Integrity Casing Repair ■ New Construction Recomplete Other ■ Subsequent Report ☐ Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Convert to Injection ■ 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.) Yates Petroleum Corporation respectfully requests permission to plug back on this well to a depth of 4000' in order to kick off and drill horizontally. Will plug back as follows: TOOH with 2-7/8" tubing. 1. TIH with CIBP and set CIBP at 9515'. TOOH. TIH and tag CIBP. Load hole with plugging 2. Spot a 35' Class C cement plug on top of CIBP at 9515'. TIH with CIBP and set CIBP at 7558'. TOOH. TIH and tag CIBP. Spot a 35' Class C cement plug on top of CIBP at 7558'. TOOH with tubing. Spot a 50 sack Class C cement plug from 5900-5600. Cut 7" casing at 4050'. Attempt to pull casing. If casing is not free, determine free point of the casing. Cut casing at free point and pull casing.
6. Spot a 55 sack Class C cement plug from 4100-4000' (across the 7" casing stub). Pull up hole with tubing. WOC. TIH and tag plug. Respot plug until satisfactory. Release well to drilling department NOTIFY BLM-CARLSBAD (505-234-5909) 24 HOURS PRIOR TO COMMENCING PLUGGING OPERATIONS 14. I hereby certify that the foregoing is true and correct SEE ATTACHED DIAGRAMS Name (Printed/Typed) Title Rusty Klein Operations Technician Signature May 22, 2001 THIS SPACE FOR FEDERAL OR STATE OFFICE USE MAY & @ 2001 ETROLEUM ENGINEER (ORIG. SGD.) ALEXIS C. SWOBODA Approved by 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 Office which would entitle the applicant to conduct operations thereon.

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