

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NM OIL CONS COMMISSION  
Drawer DD c/5F

Artesia, NM 88210  
FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-34457
2. Name of Operator YATES PETROLEUM CORPORATION (505) 748-1471 O. C. D.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. 105 South 4th St., Artesia, NM 88210	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 690' FEL of Section 33-T20S-R26E (Unit I, NESE)	8. Well Name and No. Federal 33 #1
	9. API Well No. 30-015-23379
	10. Field and Pool, or Exploratory Area Springs Strawn
	11. County or Parish, State Eddy Co., NM

12. CHECK APPROPRIATE BOX(s) 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"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other Request TA Status
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Yates Petroleum Corporation respectfully requests approval to temporarily abandon the captioned well for beneficial use reasons. We believe the well is capable of gas production from the current Strawn interval, but the well has been shut in due to unresolved marketing problems. The marketing problems are under negotiation at this time.

We also plan to recomplate the well to the Upper Penn formation 8120-8140', but have had difficulties in getting our partners to join the workover. Negotiations with our partners continue.

This well also has potential for conversion to a SWD in the Upper Penn formation if the recompletion is unsuccessful.

We anticipate returning the well to production and/or recompleting it to the Upper Penn within the next year. A mechanical integrity test should be performed during August or September.

14. I hereby certify that the foregoing is true and correct

Signed Rusty Klein Title Production Clerk Date July 28, 1994

(This space for Federal or State office use)

(ORIG. SGD.) JOE G. LARA

Approved by Sec attached Title PETROLEUM ENGINEER Date 8/17/94

BUREAU OF LAND MANAGEMENT  
CARLSBAD RESOURCE AREA

Temporary Abandonment of Wells on Federal Lands

Conditions of Approval

According to 43 CFR 3162.3-4-c, " No well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer".

Temporary Abandonment (TA) status approval requires a successful casing integrity test as follows:

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County call (505) 887-6544 ; for wells in Lea County call (505) 393-3612.
2. A bridge plug or packer shall be set at a maximum of 50 feet above any open perforations or open hole.
3. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
4. The production casing shall be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leak-off.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for 12 months provided that the operator:

1. Submits a subsequent Sundry Notice requesting TA approval,
2. Attaches a clear copy or the original of the pressure test chart,
3. And attaches a detailed justification why the well should not be plugged and abandoned.

The TA status could be extended without another casing integrity test provided there was no leak-off during the test.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.