

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

MAR 14 1997

WELL API NO.	3001520808
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	20808
7. Lease Name or Unit Agreement Name	Yates-King
8. Well No.	1
9. Pool name or Wildcat	
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	
3313' G.L.	

SUNDRY NOTICES AND REPORTS ON WELLS
(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.)

1. Type of Well:
OIL WELL ☐ GAS WELL ☒ OTHER

2. Name of Operator
National Energy Group, Inc.

3. Address of Operator
4925 Greenville Ave., 1350 One Energy Square, Dallas, TX 75260

4. Well Location
Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line

Section 22 Township 23S Range 26E NMPM Eddy County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3313' G.L.

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK ☐	REMEDIAL WORK ☐
TEMPORARILY ABANDON ☐	ALTERING CASING ☐
PULL OR ALTER CASING ☐	COMMENCE DRILLING OPNS. ☐
OTHER: ☐	PLUG AND ABANDONMENT ☐
	CASING TEST AND CEMENT JOB ☐
	OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Nadel and Gussman Permian, L.L.C., a non-operating WIO, has agreed to assume the role of operator from NEGI for purposes of abandoning the well. Planned operations (see before & after P&A sketches):

1. Release packer, circ. hole w/10 ppg mud containing 25#/bbl gel.
2. Set CIBP @ 10425', dump bail 35' of cement on top of plug.
3. Set a balanced plug from 10100'-10000'. WOC and tag plug.
4. Cut and pull casing @ +9500'.
5. Set a balanced plug in open hole @ 8600'-8700'. WOC and tag plug.
6. Set a balanced plug across 9-5/8" shoe @ 5300'-5400'. WOC and tag plug.
7. Shoot squeeze perfs @ 750' and establish circulation. Cement to surface w/+200 sks. Tag plug to insure it is @ 533' (@ least 50' above shoe). Perform bradenhead squeeze if cement does not circulate.
8. Set plug @ 30' to surface.
9. Install dryhole marker, clean and level location. Remove all equipment.

Notify N.M.O.C.C. in sufficient time to witness
Tags

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

SIGNATURE Joel F. Martin TITLE Agent for National Energy DATE 3/10/97

TYPE OR PRINT NAME Joel F. Martin, Engineering Manager for Nadel and Gussman Permian, L.L.C. TELEPHONE NO. 918/583-3333

(This space for State Use)

APPROVED BY Jim W. Green TITLE District Supervisor DATE 5-9-97

CONDITIONS OF APPROVAL, IF ANY:

Well: Yates King #1

State/County: Eddy, NM

Locals: 1980' FSL + FWL 22-235-26E

GL/KB: _____

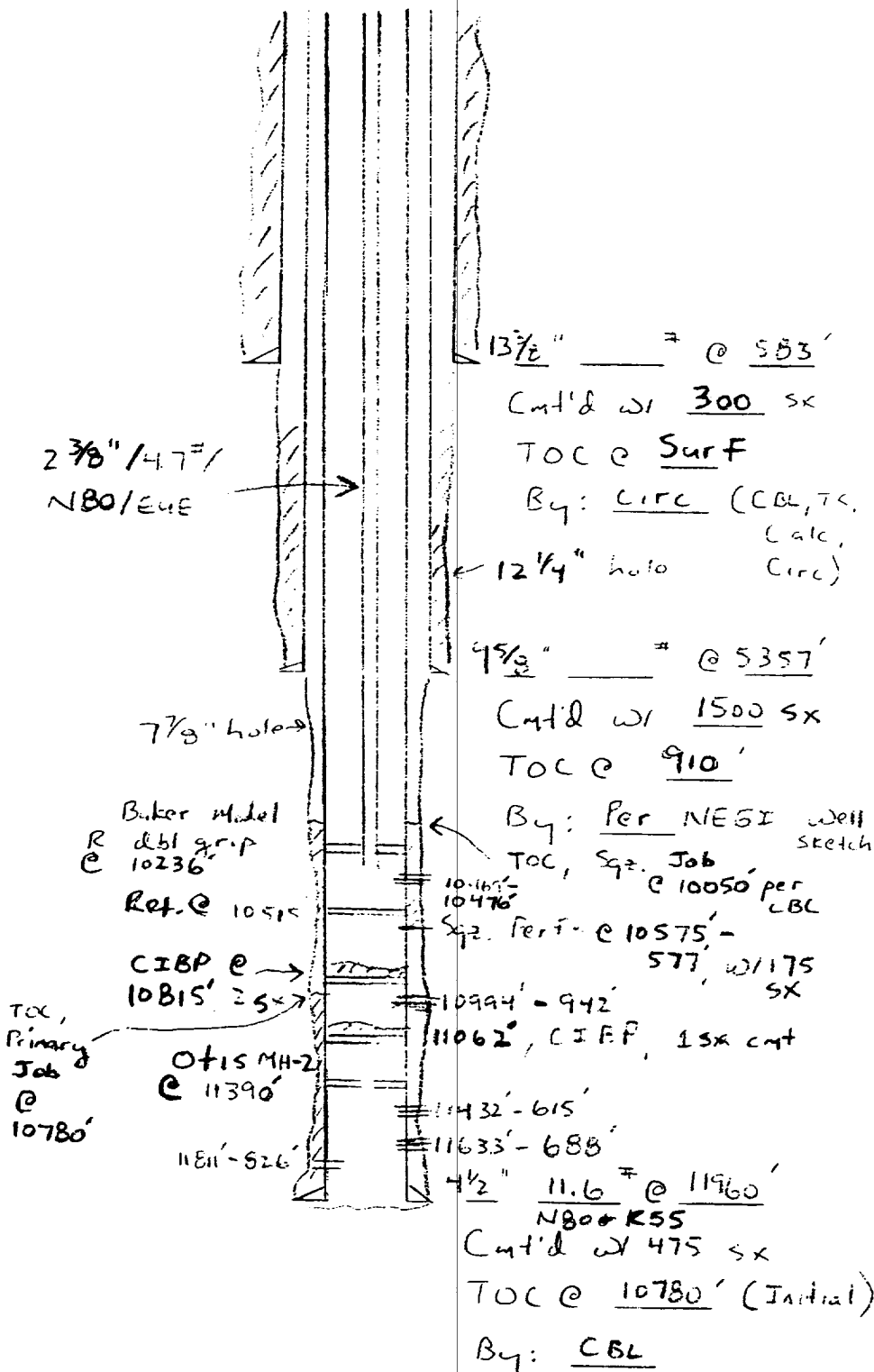
Before
F-A

Well History

See attached for data from Dec thru 1984.

2/93 RU, RTH w/ bit, tag @ 11073', set CIBP @ 11062', dump cnt, perf 10994' - 10942'. Acid w/ 5000 gal, rec'd load, SIFL @ 3787 no indication that P/L was attempted BHP = 4335 psig

5/93 RU, PTH, ran CBL, TOC @ 10780', set CIBP @ 10815', dump 2 sx, perf 597' holes @ 10575' - 577', set rel @ 10515', 597' w/ 175 SX, good head via CBL to TOC @ 10050', perf thru tag @ 10469' - 10476', swab well in @ 840 MCFD, 12/64 choke, 1200# FTM. 8/93 RU to acid. Could not pump in. PTH, RTH w/ T.P. assembly spot acid, set pkr & acid swab well in (SITP after swab = 3200#). RWTP 8/17/93 @ 219 MCFD. 12/93 RU, Attempted to swab well in. SE well



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District Office

NADEL & GUSMAN

0002/005

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Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1580, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Aztec, NM 88210

DISTRICT III
1000 Rio Grande Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	3001520808
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	20808
7. Lease Name or Unit Agreement Name	Yates-King
8. Well No.	1
9. Pool name or Wildcat	

SUNDRY NOTICES AND REPORTS ON WELLS
(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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other ☐	2. Name of Operator National Energy Group, Inc.
3. Address of Operator 4925 Greenville Ave., 1350 One Energy Square, Dallas, TX 75260	4. Well Location Unit Letter <u>K</u> : 1980 Feet From The <u>South</u> Line and 1980 Feet From The <u>West</u> Line Section <u>22</u> Township <u>23S</u> Range <u>26E</u> NMPM Eddy County 10. Elevation (Show whether OF, RKB, RT, GR, etc.) 3313' GL

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☒	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER: ☐	CASING TEST AND CEMENT JOB ☐	OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. (See Attachment)

- Nadel and Gusman Petroleum, L.L.C., a non-operating working interest owner, has agreed to assume the role of operator from National Energy Group, Inc. for the proposed reworking and well-planned operations (see Attachment hereto and after 36A sketches):
- Release packer, circulate hole w/100 sgs mud containing 250/bbl of gwl.
 - Set CISP @ 10425', dump bail 35 sgs of cement on top of plug.
 - Set a balanced cement plug from 10100'-10000'. WOC and tag plug.
 - Perf 4 1/2" @ 8670' and establish circulation. Set a retainer @ 8600', and squeeze w/100 sgs.
 - Perf 4 1/2" @ 5450' and establish circulation. Set retainer @ 5300', and squeeze w/50 sgs (calc. TOC @ 5200').
 - Perf 4 1/2" and 9-5/8" @ 750'. Establish circulation to surface in both annuli. Cement both annuli to surface with an estimated 450 sgs. Leave cement inside 4 1/2" @ 533'. Tag plug to ensure it is @ 533' (at least 50' above shoe). Perform broadhead squeeze if necessary.
 - Set plug @ 30' to surface.
 - Install dry hole marker, and clean and level location. Remove all equipment.

NOTE: All cement calcs based on Class C Cement. Volumes may vary based on actual slurries.

I hereby certify that the information furnished herein is true and correct to the best of my knowledge and belief.

Jim F. Martin, Jr. PE TITLE ASST. CO. REGIONAL TRAINER DATE 2/24/97
JIM F. MARTIN, JR., ENGINEERING MANAGER FOR NADEL & GUSMAN PETROLEUM, L.L.C. VERIFICATION NO. 012/902-5333

(This space for State Use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

Jim F. Martin, Jr. BGA

District Supervisor 2-24-97

Notary N.M.O.C.G. in sufficient time to witness

Tags

Well: Yates K #1
State/County: Eddy, NM
Legals: 1980 FSL & FWL, 22-235-26E
GL/KB: _____

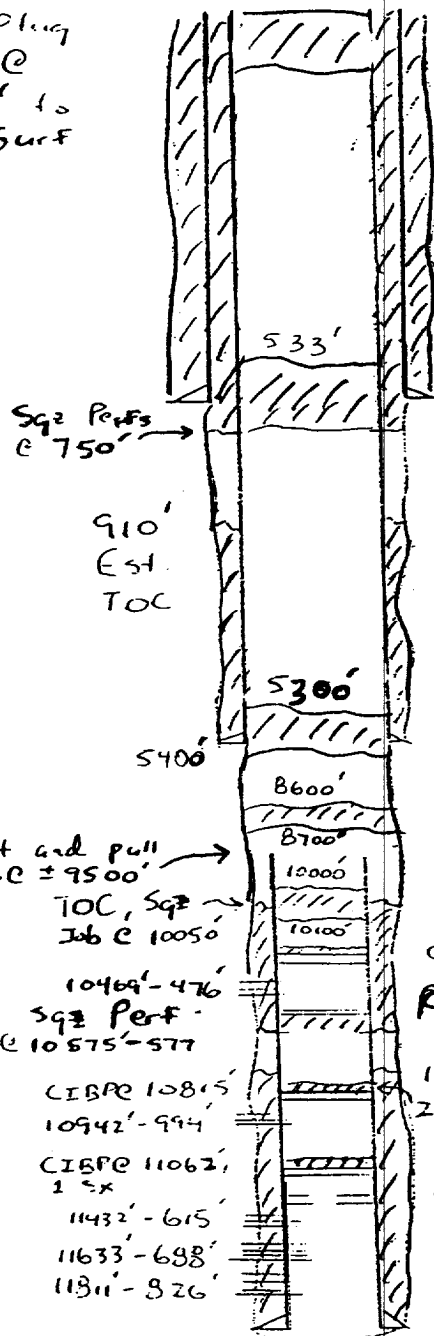
After P&A
Option 2

Well History

Plug
@
30' to
Surf

Circ. Cmt.
To Surf.

9 5/8" by 13 3/8" annulus



13 3/8" @ 583'

Cmt'd w/ 300 SX

TOC @ Surf

By: Circ (CBL, TS, Calc, Circ)

Calc. TOC @ 5200'

9 5/8" @ 5357'

Cmt'd w/ 1500 SX

TOC @ 910'

By: Operator Well sketch

CIBPE 10425' w/ 35' of Cmt.

Ret @ 10515' Sqz'd w/ 175 SX

10730 TOC on

2 * Primary

Otis MH-2 @ 11390'

1 1/2" 11.6 # @ 11960' K55

Cmt'd w/ 475 SX

TOC @ 10780' (Initial)

By: CBL

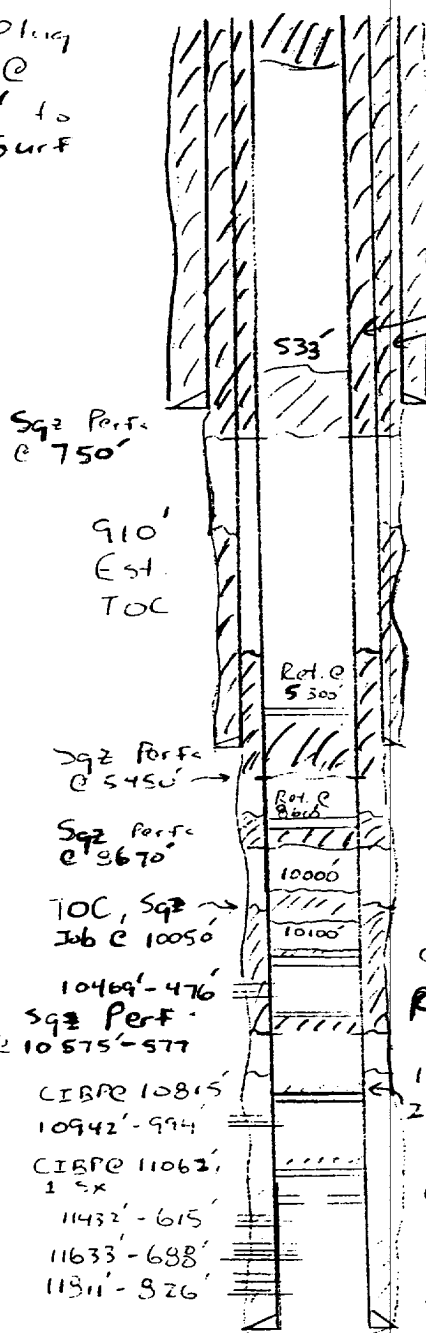
TOC @
11960'

Well: Yates King #1
 State/County: Eddy, NM
 Legals: 1980' FSL - FWL, 22-235-26E
 GL/KB: _____

After P&A

Option 1,
 (currently approved)
Well History

Plug
 @
 30' to
 Surf



Circ. Cmt.
 To Surf.
 in 4 1/2" to 9 5/8" annulus
 and 9 5/8" to 13 7/8" annulus

± 450 sk Sg2'd in
 4 1/2" x 9 5/8" and 9 5/8" and 13 7/8"
 annuli

13 7/8" # @ 533'

Cmt'd w/ 300 sk

TOC @ Surf

By: Circ (CBL, T.C.,
 Calc.,
 Circ)

Calc. TOC
 @ 5200'

9 5/8" # @ 5357'

Cmt'd w/ 1500 sk

TOC @ 910'

By: Operator Well sketch

CIBP @ 10425' w/ 35' of Cmt.

Ret @ 10515' Sg2'd w/ 175 sk

10730 TOC on
 2 x Primary

Otis MH-2 @ 11390'

4 1/2" 11.6 # @ 11960'
 K55

Cmt'd w/ 475 sk

TOC @ 10780' (Initial)

By: CBL

Currently
 Approved
 Option

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test ☒ Initial (RETEST) ☐ Annual ☐ Special		Test Date 11-24-1993									
Company NATIONAL ENERGY GROUP		Connection PIPELINE (LLANO)									
Pool Frontier Mill Stream		Formation STRAWN									
Completion Date 6-5-93		Total Depth 11960									
Csg. Size 4.5		Plug Back TD 10660									
Wt. 11.6		Elevation N7A									
d 4.000		Perforations: From 10469 To 10476									
Set At 11960		Perforations: From - To -									
Thq. Size 2.375		Set At 10412									
Wt. 4.7		From - To -									
d 1.995		From - To -									
Type Well - Single - Drdndhead - G.G. or G.O. Multiple SINGLE (gas)		Packer Set At 10412									
Producing Thru TBG. (gas)		Baro. Press. - P _g 13.2									
Reservoir Temp. °F 164		Mean Annual Temp. °F 60									
L 10473		H 10473									
G _g 0.69		% CO ₂ 0.00									
% N ₂ 0.00		% H ₂ S 0.00									
Prover 0.00		Meter Run 3.0									
Taps FLG.		County EDDY									
State NEW MEXICO		Unit 22									
Sec. 23s		Twp. 26E									
Flow Data		BHP DATA									
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. hw	Temp. °F	Press. p.s.i.g.	Temp. °F	Procs. p.s.i.g.	Temp. °F	Duration of Flow
1.	3.0 x 0.75		75	56	61	2250	60	3187	164	72.0+	
2.	3.0 x 0.75		75	54	66	82	60	173	164	72.0+	
3.	3.0 x 0.75		80	39	66	150	60	273	164	1.0	
4.	3.0 x 0.75		85	35	66	325	60	438	164	1.0	
5.	3.0 x 0.75		85	27	66	450	60	601	164	1.0	
						620	60	827	164	1.0	
RATE OF FLOW CALCULATIONS											
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor F _t	Gravity Factor F _g	Super Compress. Factor, F _{sp}	Rate of Flow Q, Mcfd				
1	3.54	70.28	88.2	0.9990	1.204	1.010	302				
2	3.54	69.01	88.2	0.9943	1.204	1.010	295				
3	3.54	60.29	93.2	0.9943	1.204	1.010	258				
4	3.54	58.63	98.2	0.9943	1.204	1.011	251				
5	3.54	51.49	98.2	0.9943	1.204	1.011	221				
Gas Liquid Hydrocarbon Ratio DRY GAS Mcf/bbl.											
A.P.I. Gravity of Liquid Hydrocarbons Deq.											
Specific Gravity Separator Gas 0.69 XXXXXX											
Specific Gravity Flowing Fluid XXXXX											
Critical Pressure 669 P.S.I.A.											
Critical Temperature 388 R											
NO.	P ₁	P _w	P ₂	P ₂ ² - P _w ²	(1) $\frac{P_c^2}{P_2^2 - P_w^2} = 1.000$			(2) $\left[\frac{P_c^2}{P_2^2 - P_w^2} \right]^n = 1.000$			
1		95.2	9.06	10231							
2		163.2	26.6	10213							
3		338.2	114.4	10125							
4		463.2	214.5	10025							
5		633.2	400.9	9839							
Absolute Open Flow 302 Mcfd @ 15.025					Angle of Slope α 45.0		Slope, n 1.000				
Remarks: After retesting no reasonable alignment of points was established. A straight line with exponent "n" = 1.000 was drawn through highest rate. Choke sizes: First Rate-Full, Second-16/64, 3-10/64, 4-8/64, 5-6/64											
Approved By Division			Conducted By: Keltic Services			Calculated By: JIM SMITH					
						Checked By:					