

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

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 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' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ 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. (See Attachment)

Nadel and Gussman Permian, L.L.C., a non-operating working interest owner, has agreed to assume the role of operator from National Energy Group, Inc., for purposes of abandoning the well. Planned operations (see Attachment before and after P&A sketches):

1. Release packer, circulate hole w/10 ppg mud containing 25#/bbl of gel.
2. Set CIBP @ 10425', dump bail 35 sks of cement on top of plug.
3. Set a balanced cement plug from 10100'-10000'. WOC and tag plug.
4. Perf 4 1/2" @ 8670' and establish circulation. Set a retainer @ 8600', and squeeze w/100 sks.
5. Perf 4 1/2" @ 5450' and establish circulation. Set retainer @ 5300', and squeeze w/50 sks (calc. TOC @ 5200').
6. 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 sks. Leave cement inside 4 1/2" @ 533'. Tag plug to ensure it is @ 533' (at least 50' above shoe). Perform bradenhead squeeze if necessary.
7. Set plug @ 30' to surface.
8. Install dry hole marker, and clean and level location. Remove all equipment.

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

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

SIGNATURE Joel F. Martin, P.E. TITLE Agent for National Energy DATE 2/21/97

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 BSA TITLE District Supervisor DATE 3/13/97

CONDITIONS OF APPROVAL, IF ANY:

Nadel and Gussman Permian L.L.C.  
3200 First National Tower  
Tulsa, Oklahoma 74103-4313  
(918) 683-3333

November 25, 1996

National Energy Group, Inc.  
4925 Greenville Ave.  
1350 One Energy Square  
Dallas, TX 75260

RECEIVED

FEB 24 1997

Re: Yates-King #1  
SW/4 Section 22-23S-26E  
Eddy County, New Mexico

OIL CON. DIV.  
DIST. 2

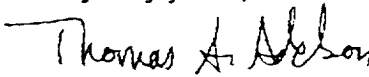
Gentlemen:

Please be advised that Nadel and Gussman Permian LLC (NGP) purchased the interest of Sabre Exploration, Inc., and Tenstrike Oil and Gas, Inc., in the captioned well at the Oil & Gas Asset Clearinghouse auction on November 13 and 14.

The well has not produced for over a year and is incapable of economic production. Accordingly, NGP proposes the plugging and abandonment of the well. NGP will assume the entire responsibility and liability for plugging the well in exchange for the salvage value of the surface equipment. Because you are the Operator of the well, we hereby request that you forward our offer to the remaining working interest owner.

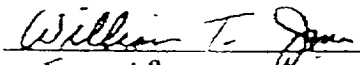
If you agree to and accept the above offer to plug the Yates-King #1, please sign below and return one copy of this Letter to Mark Winters of this office. Should you have any questions, please do not hesitate to contact Mark at the above phone number.

Very truly yours,

  
Thomas A. Adelson  
Manager

Agreed to and accepted this 15<sup>th</sup> day of January, 1997.

National Energy Group, Inc.

By:   
Title: SEVP Operations

Well: Yates King #1

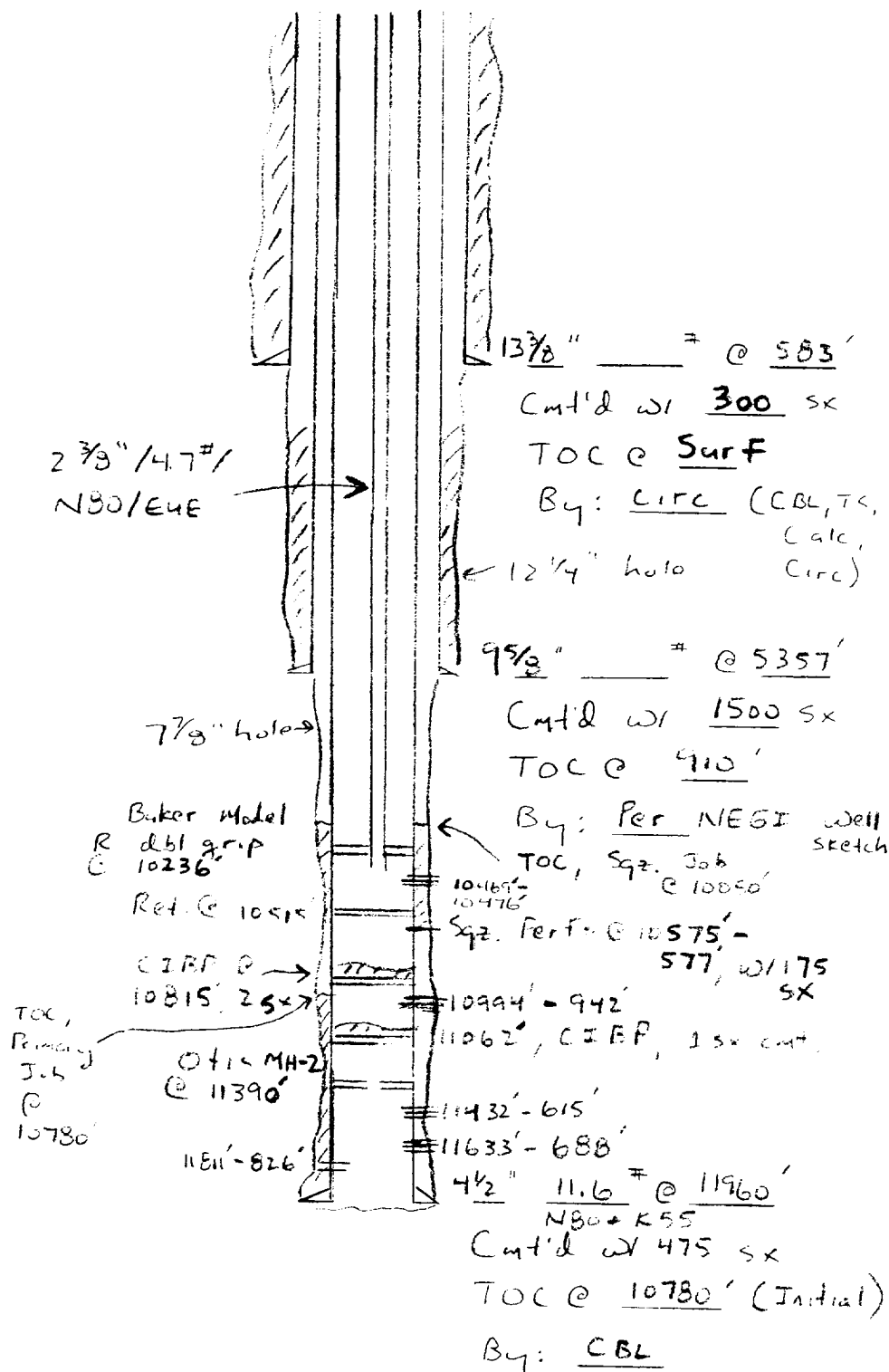
State/County: Eddy, NM

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

GL/KB: \_\_\_\_\_

Before

P-A



### Well History

See attached for  
data from D+C  
thru 1984.

2/93 RU, RTH w/  
bit, tag @ 11073'.  
Set CIRP @ 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, PCH, ran  
CBL, TOC @ 10780'.  
Set LIRP @ 10815'.  
Dump 2 sx, perf  
sqz holes @ 10575' -  
577', set rel @  
10515, sqz w/ 175  
sx, good bond via CBL  
to TOC @ 10050'.  
perf thru tbg @ 10469' -  
10476', now's well  
in @ 840 MCED, 12/64  
chose, 1200' FTR  
8/93 RU to acidz. Could  
not pump in. PCH, RTH  
w/ T.P. assembly spot  
acid, set per + acidz  
swab well in (SITP  
after swab = 3200#).  
RWTP 8/17/93 @ 219  
MCED.  
12/93 RU, Attempted to  
swab well in. SI well

Well: Tates King #1

State/County: Eddy, NM

Legals: 1980' FSL - FWL, 22-235-26E

GL/KB: \_\_\_\_\_

After P.A.

Well History

Plug  
@  
30' to  
Surf

Circ. Cmt.

To Surf.

in  $4\frac{1}{2}"$  to  $9\frac{5}{8}"$  annulus  
and  $9\frac{5}{8}"$  to  $13\frac{3}{8}"$  annulus

Sqz Perfs  
@ 750'

910'  
Est.  
TOC

$13\frac{3}{8}"$  # @ 583'

Cmt'd w/ 300 sx

TOC @ Surf

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

Calc. TOC  
@ 5200'

Sqz Perfs  
@ 5450'

Sqz Perfs  
@ 5670'

TOC, Sqz  
@ 10050'

Sqz Perfs  
@ 10575' - 577

CIRP 10815  
10942' - 994

CIRP 11062  
1 sx

11432' - 615

11633' - 688

11811' - 826

$9\frac{5}{8}"$  # @ 5357'

Cmt'd w/ 1500 sx

TOC @ 910'

By: Operator Well sketch

CIRP 10425 w/ 35' of Cmt.

Ret @ 10515', Sqz @ w/ 175 sx

10780 TOC on

2 x Primary

Otis MA-2 @ 11390

$4\frac{1}{2}"$   $11.6$  # @ 11960'  
K 55

TOC Cmt'd w/ 175 sx

11960' TOC @ 10780' (Initial)

By: CBL