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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

RECEIVED

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

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

1997

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 B6X TITLE District Supervisor DATE 3-9-97

CONDITIONS OF APPROVAL, IF ANY:

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

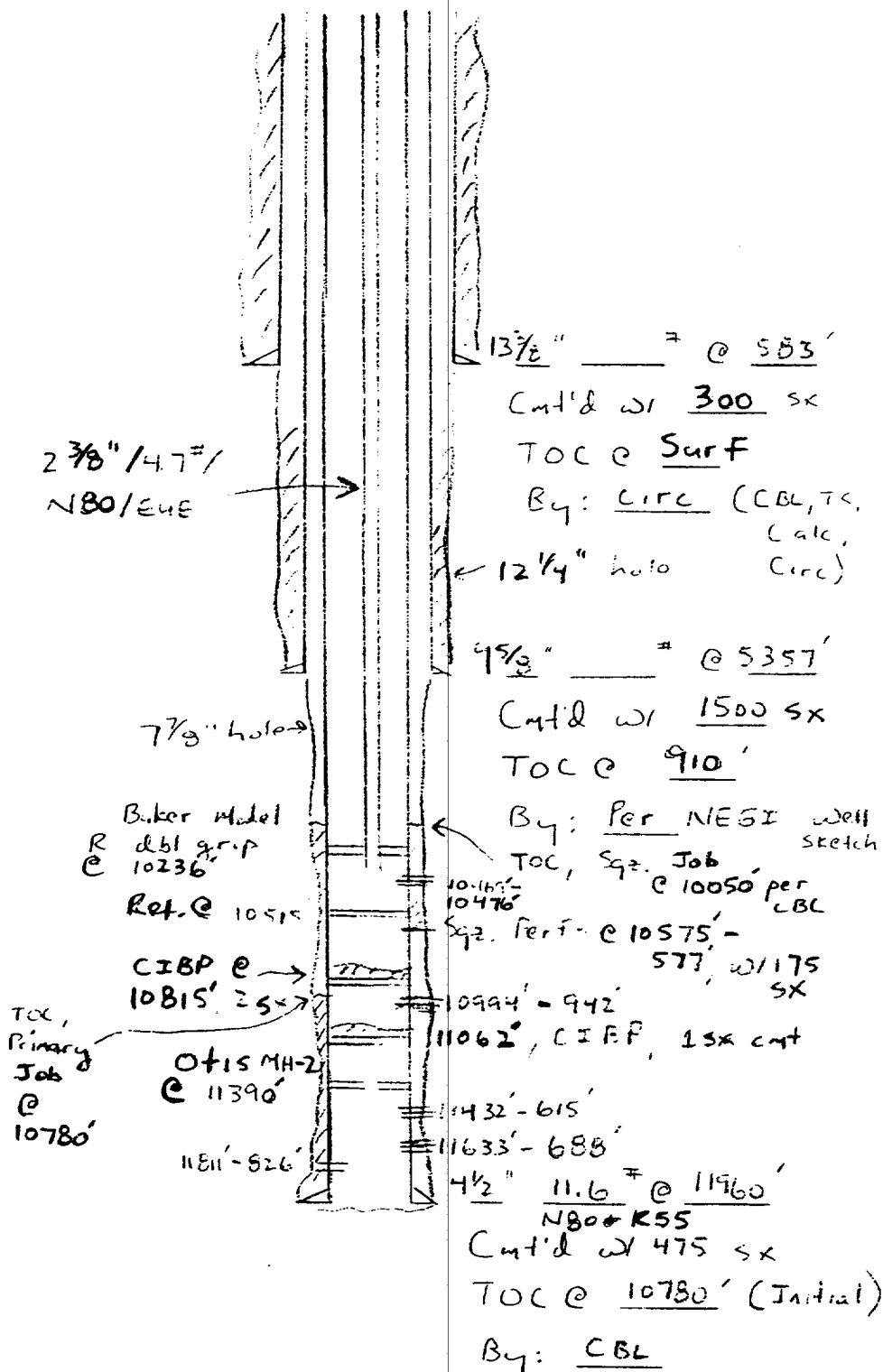
Before
F-A

Well History

See attached for
data from D&C
thru 1984.

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

5/93 RU, POF, can
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# FFP
8/93 RU to acidz. Could
not pump in. POF, RTH
w/ T.P. assembly spot
acid, set per - acid
swab well in (SIFP
after swab = 3200#).
RWTP 8/17/93 @ 219
MCFD.
12/93 RU, Attempted to
swab well in SE well



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NADEL & GUSSMAN

002/005

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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	

SUNDY 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 Later 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 LF, 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 1101. (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 completing the well. Planned operations (see Attachment hereto and after 56A sketches):

- Release packer, circulate hole w/100 pps mud containing 25#/bbl of gel.
- Set CIBP @ 10425', dump bail 35' 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 sks.
- Perf 4 1/2" @ 5450' and establish circulation. Set retainer @ 5300', and squeeze w/50 sks (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 sks. 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 Heat. Volumes may vary based on actual slurries.

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

DATE 2/24/97
JIM F. MARTIN, Engineering Manager for Nadel and Gussman Permian, L.L.C.
012/003-3333

(This space for State Use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

Jim F. Martin 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

Sqz Perfs
 @ 750'

910'
 Est.
 TOC

533'

13 3/8" @ 583'

Cmt'd w/ 300 sx

TOC @ Surf

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

Calc. TOC
 @ 5200'

5300'

9 5/8" @ 5357'

Cmt'd w/ 1500 sx

TOC @ 910'

By: Operator Well sketch

CIBP @ 10425' w/ 35' of Cmt.

Ret @ 10515' Sqz'd w/ 175 sx

Cut and pull
 Csq. @ 9500'

TOC, Sqz
 Job @ 10050'

10469'-476'
 Sqz Perf
 @ 10575'-577'

CIBP @ 10815'
 10942'-994'

CIBP @ 11062'
 11432'-615'

11633'-698'
 11811'-826'

10730 TOC on
 2 x Primary

Otis MH-2 @ 11390'

4 1/2" 11.6 #
 1180- @ 11960'
 KSS

TOC Cmt'd w/ 475 sx

11960' TOC @ 10780' (Initial)

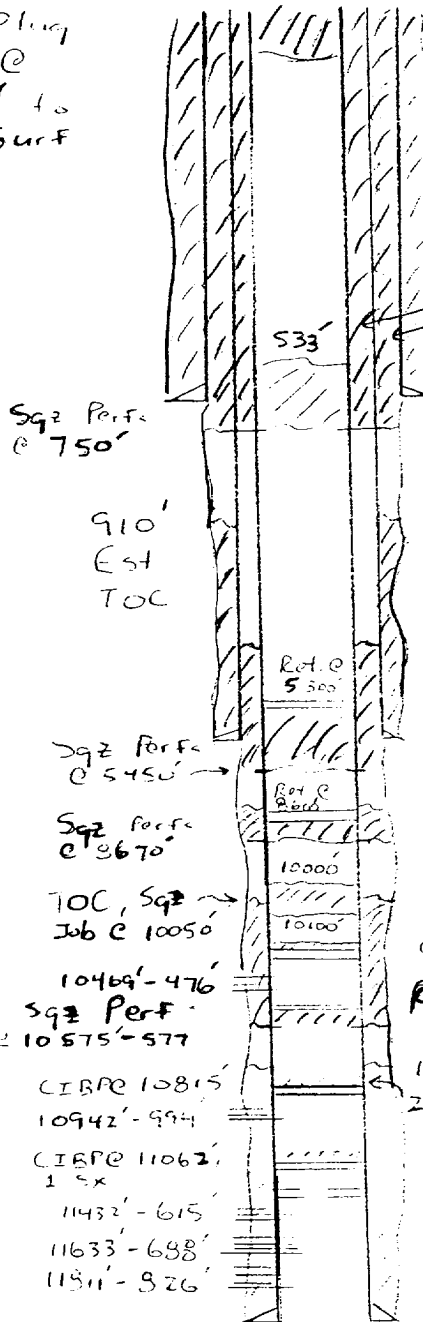
By: CBL

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

After F&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 3/8" annulus

± 450 sx Sg2'd in
 4 1/2" x 9 5/8" and 9 5/8" and 13 3/8"
 annuli

13 3/8" # @ 533'

Cmt'd w/ 300 sx

TOC @ Surf

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

Calc. TOC
 @ 5200'

9 5/8" # @ 5357'

Cmt'd w/ 1500 sx

TOC @ 910'

By: Operator Well sketch

CIBP @ 10425' w/ 35' of Cmt.

Ret @ 10515 Sg2'd w/ 175 sx

10730 TOC on
 2 x Primary

Otis MH-2 @ 11390'

4 1/2" 11.6 # @ 11960'
 K55

TOC Cmt'd w/ 475 sx

11960' TOC @ 10780' (Initial)

By: CBL

Currently
 Approved
 Option