

N.M. Oil Cons. DIV-Dist. 2
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1901 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON OIL AND GAS WELLS
Artesia, NM 88210
Do not use this form for proposals to drill or re enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

RECEIVED

JUN 08 2005

2. Name of Operator

Yates Petroleum Corporation

OOD-ARTEDM

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1980'FNL & 1980'FEL of Section 34-T20S-R24E (Unit G, SWNE)

5. Lease Serial No.

NM-045276

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Preston Federal #2

9. API Well No.

30-015-23903

10. Field and Pool, or Exploratory Area

Dagger Draw Upper Penn, South

11. County or Parish, State

Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other _____ |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recomplate 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 plans to plug and abandon this well as follows:

1. Rig up all safety equipment needed.
2. RIH picking up tubing open ended to 7320' and circulate hole with plugging mud and spot 27 sx plug from 7320'-7170'.
3. Pump 27 sx plug at +/-5170'.
4. Pump 25 sx plug at +/-3020'.
5. Pump 25 sx plug at +/-1270'. Tag plug no deeper than 1151'.
6. Perforate squeeze holes at 569'.
7. Pump 35 sx plug at +/-569'. Test to 500#, if casing test good, spot 25 sx plug from 569' inside casing. Tag plug no deeper than 450'.
8. Perforate squeeze holes at 150'.
9. Install 7" casing swedge to circulate cement from 150' to surface with 50 sx. Tag plug.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

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

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Tina Huerta

Date

May 31, 2005

APPROVED

JUN - 1 2005

LES BABYAK
PETROLEUM ENGINEER

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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 which would entitle the applicant to conduct operations thereon.

Title

Office

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Before P+A

Preston Federal #2
Sec 34 T20S R24E

Elevation: 3718'
KBH: 15' AGL

13 3/8", 54.5# @ 500'
w/ 500 SXS cmt.
(circ)

9 5/8", 36# @ 1201'
w/ 1000 SXS cmt.

TOC 600'
temp survey

7", 26# set @ 9596'
w/ 3130 SXS cmt
(circ)

DV tool @ 7026'

Wolfcamp Perfs:
7388' - 7399'

squeezed Wolfcamp
thru cmt. retainer
@ 7320'

Cisco Perfs:
7424' - 7454'

Squeezed Cisco Form
thru cmt. ret @ 7415'

Atoka Perfs:
8624' - 8669'

squeezed Atoka fo
& spotted 15' cmt on t
of ret @ 8590'

Morrow Perfs:
8857' - 8867'

35' cmt spotted on t
of CIBP @ 8725'

Morrow Perfs:
9192' - 9242'

30' cmt. spotted on top
of PKR @ 9156'

Casing
Set TO: 9596'

ST
updated MH
5/27/05

Preston Federal #2

After T+4

Preston Federal #2
Sec 34 T20S R24E

Elevation: 3718'
KBM: 15' AGL

13 3/8", 54.5# @ 500'
w/ 500 SXS cmt.
(circ)

9 5/8", 36# @ 1201'
w/ 1000 SXS cmt.

10 ppg. mud between cement plugs

25 cmt plug
(2870'-3020')

27 SX cmt plug
(5020'-5170')

27 SX cmt plug
(7170'-7320')

Wolfcamp Perfs:
7388'-7399'

Cisco Perfs:
7424'-7454'

Atoka Perfs:
8624'-8669'

Morrow Perfs:
8857'-8867'

Morrow Perfs:
9192'-9242'

GT
updated MH
5/27/05

Preston Federal #2

cmt. plug to surface
(0-50') in 7"

25 SX cmt. plug
(431'-569')

TOC: 600'
(temp survey)

25 SX cmt plug (1132'-1132')

7", 26# set @ 9596'
w/ 3130 SXS cmt
(circ)

DV tool @ 7026'

squeezed Wolfcamp
thru cmt. retainer
@ 7320'

Squeezed Cisco Form
thru cmt. ret @ 7415

squeezed Atoka fo
& spotted 15' cmt on t
of ret @ 8590'

35' cmt spotted on to
of CRP @ 8725'

30' cmt. spotted on top
of PKR @ 9156'

Casing
set TO: 9596'