

EC

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

N.M. 01/2014  
APR 2 1 11 PM '14FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

DIVISION

Lease Serial No.  
NMNM17037**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator YATES PETROLEUM CORPORATION Contact: LAURA WATTS E-Mail: laur@yatespetroleum.com		7. If Unit or CA/Agreement, Name and/or No. SRM1455
3a. Address 105 SOUTH 4TH STREET ARTESIA, NM 88210	3b. Phone No. (include area code) Ph: 575-748-4272 Fx: 575-748-4585	8. Well Name and No. FIVE MILE DRAW LX FEDERAL COM 1
4. Location of Well (Footage, Sec.; T., R., M., or Survey Description) Sec 34 T6S R25E SWSE 800FSL 2100FEL		9. API Well No. 30-005-60608-00-S1
		10. Field and Pool, or Exploratory PECOS SLOPE-ABO
		11. County or Parish, and State CHAVES COUNTY, NM

## 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 recompleate 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 safety equipment as needed. No casing recovery will be attempted. TOH with 2-7/8 inch tubing and packer.
2. Set a CIBP at +/- 4,800 ft and cap it with 35 ft cement. This puts a plug over the open Penn perforations. *witness*
3. Set a CIBP at +/- 3,518 ft and cap it with 35 ft cement. This puts a plug over the open Abo perforations and top of Abo. *witness*
4. Perforate at 1,321 ft and spot a 70 sack Class C cement plug from 1,040 ft to 1,321 ft. POOH. This puts a 281 ft plug across the Intermediate Casing Shoe and top of Glorieta, inside and outside the casing. WOC and tag plug. *witness*
5. Perforate at 430 ft and spot a 25 sack Class C cement plug from 330 ft to 430 ft. POOH. This puts a 100 ft plug across the Surface Casing Shoe, inside and outside the casing. WOC and tag plug. *witness*

LRD 5/2/14  
Accepted for record  
NMCDSEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVED FOR 3 MONTH PER

ENDING 7/16/2014

14. I hereby certify that the foregoing is true and correct. Electronic Submission #235547 verified by the BLM Well Information System For YATES PETROLEUM CORPORATION, sent to the Roswell Committed to AFMSS for processing by BEVERLY WEATHERFORD on 02/13/2014 (14BMW1602SE)	
Name (Printed/Typed) LAURA WATTS	Title REG REPORTING TECHNICIAN
Signature (Electronic Submission)	Date 02/13/2014

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/S/ JOHN S. SIMITZ</u>	Title <u>Geologist</u>	Date <u>4/16/14</u>
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.		Office <u>ROSWELL FIELD OFFICE</u>

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.

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

**Additional data for EC transaction #235547 that would not fit on the form**

**32. Additional remarks, continued**

plug.

6. Perforate at 60 ft and circulate a 15 sack Class C Cement plug from 60 ft up to the surface, *witness* inside and outside the casing.

7. Remove all surface equipment, weld dry hole marker and clean location as per regulations.

Schematics attached

## Revisions to Operator-Submitted EC Data for Sundry Notice #235547

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	NMNM17037	NMNM17037
Agreement:		SRM1455 (NMNM72077)
Operator:	YATES PETROLEUM CORPORATION 105 SOUTH FOURTH STREET ARTESIA, NM 88210 Ph: 575-748-1471	YATES PETROLEUM CORPORATION 105 SOUTH 4TH STREET ARTESIA, NM 88210
Admin Contact:	LAURA WATTS REG REPORTING TECHNICIAN E-Mail: laur@yatespetroleum.com  Ph: 575-748-4272 Fx: 575-748-4585	LAURA WATTS REG REPORTING TECHNICIAN E-Mail: laur@yatespetroleum.com  Ph: 575-748-4272 Fx: 575-748-4585
Tech Contact:	LAURA WATTS REG REPORTING TECHNICIAN E-Mail: laur@yatespetroleum.com  Ph: 575-748-4272 Fx: 575-748-4585	LAURA WATTS REG REPORTING TECHNICIAN E-Mail: laur@yatespetroleum.com  Ph: 575-748-4272 Fx: 575-748-4585
Location:		
State:	NM	NM
County:	CHAVES	CHAVES
Field/Pool:	PECOS SLOPE; ABO	PECOS SLOPE-ABO
Well/Facility:	FIVE MILE DRAW LX FEDERAL COM 1 Sec 34 T6S R25E SWSE 800FSL 2100FEL	FIVE MILE DRAW LX FEDERAL COM 1 Sec 34 T6S R25E SWSE 800FSL 2100FEL

WELL NAME: Five Mile Draw LX Fed Com #1 FIELD: Pecos Slope Abo

LOCATION: 800' FSL & 2100' FEL of Section 34-6S-25E Chaves Co., NM

GL: 3715' GR ZERO: KB:

SPUD DATE: 10/27/79 COMPLETION DATE: 12/6/79

COMMENTS: API 30-005-60608

#### CASING PROGRAM

13-3/8" 48# H-40 ST&C	380'
8-5/8" 24# J-55 ST&C	1,271'
5-1/2" 14# K-55 ST&C	5,146'

BEFORE

<b>Tops:</b>	
San Andres	423'
Glorieta	1090'
Abo	3519'
WC	4180'
Penn	4678'
Granite Wash	5030'

17 1/2" Hole

11" Hole

7 7/8" Hole

13-3/8" @ 380'  
w/ 400 sx cmt (circ)

8-5/8" @ 1271'  
w/ 1050 sx cmt (circ)

TOC @ 3,200' (TS)

5 1/2" Gulb. o/o tool, bl:plug @ 4,811'  
5 1/2" Gulb. Uni III Packer @ 4,817'  
2 7/8" J-55 tbg

Abo perms: 3,568'-80', 3,816'-36'

Penn perms: 4,855'-65', 4,905'-16'

5-1/2" @ 5,146'  
w/540 sx

PBTD : 4,897'  
TD : 5,150'

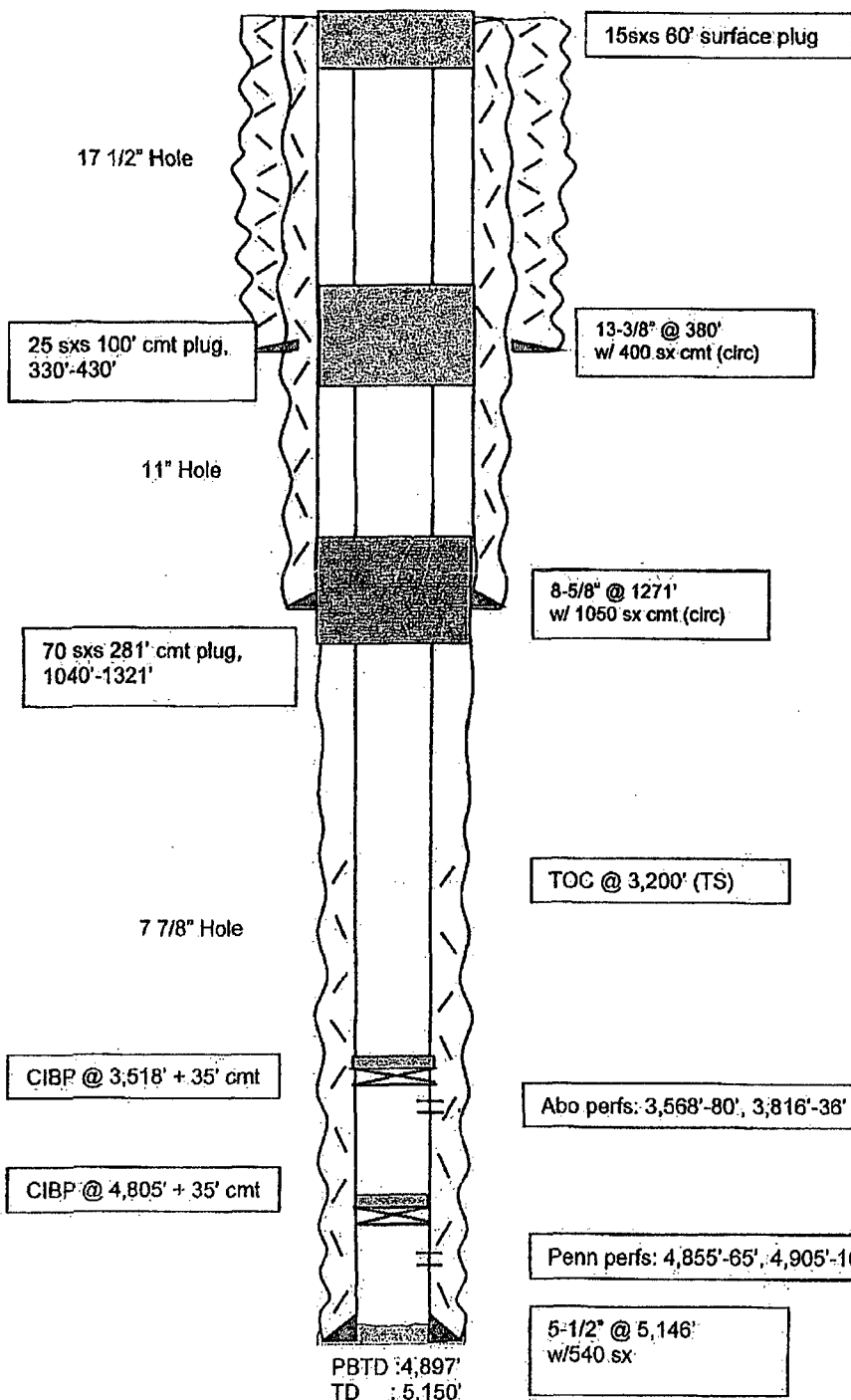
Not to Scale  
12/17/13  
MMFH

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Not to Scale  
 12/17/13  
 MMFH

## BUREAU OF LAND MANAGEMENT

Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201  
(575) 627-0272

### Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. **Plugging operations** shall commence within **ninety (90) days** from the approval date of this Notice of Intent to Abandon. **If you are unable to plug the well by the 90<sup>th</sup> day provide the BLM Roswell Field Office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.**
2. **Notification:** Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 420-2832. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.