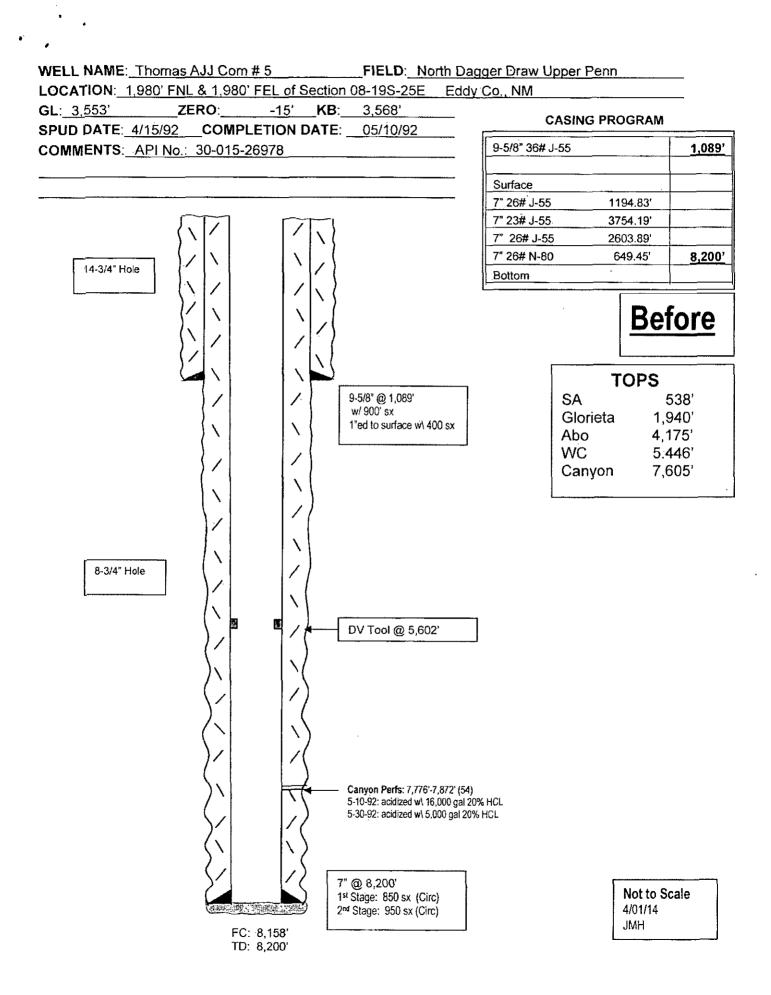
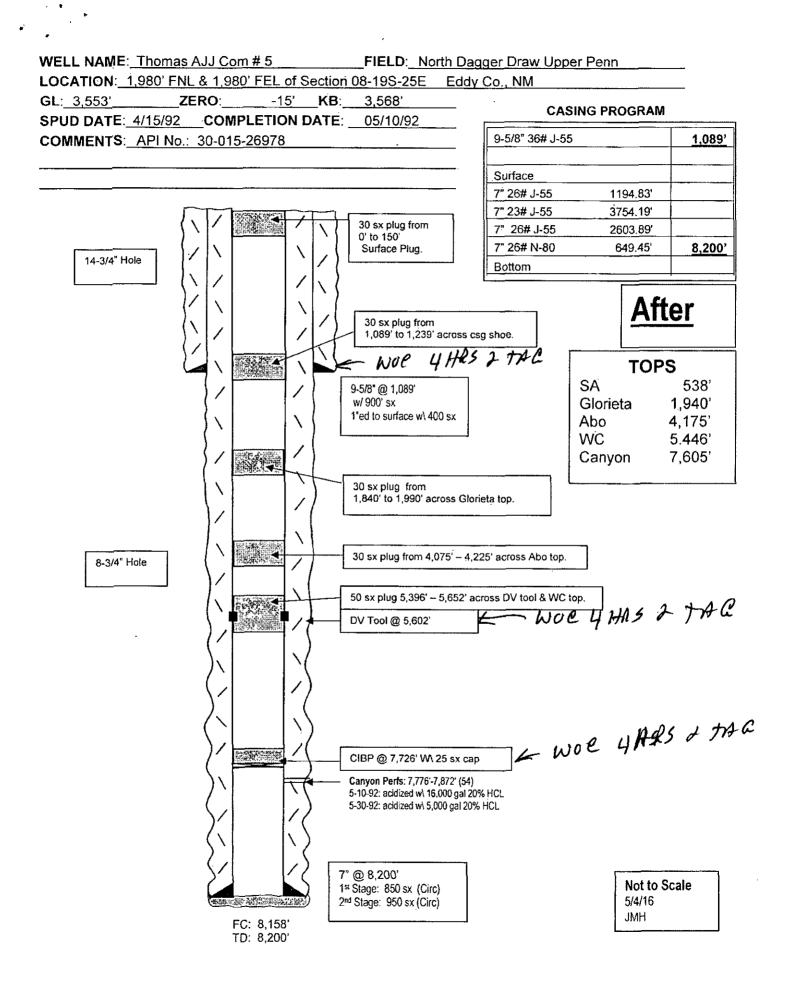
Submit 1 Copy To Appropriate District Office	State of New Mexico		Form C-103	
District 1 - (575) 393-6161	Energy, Minerals and Natural Resources		Revised July 18, 2013	
1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> – (575) 748-1283	3		WELL API NO. 30-015-26978	
811 S. First St., Artesia, NM 88210	311 S. First St., Artesia, NM 88210 District III – (505) 334-6178 000 Rio Brazos Rd. Artes NM 87410 1220 South St. Francis Dr.		5. Indicate Type of Lease	
<u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410			STATE FEE S	
<u>District IV</u> - (505) 476-3460	Santa Fe, NM 8	7505	6. State Oil & Gas	s Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505				
SUNDRY NOTICES AND REPORTS ON WELLS			7. Lease Name or	Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A			Thomas AJJ Com	
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)			8. Well Number	
1. Type of Well: Oil Well Gas Well Other			5	
2. Name of Operator			9. OGRID Number	
Yates Petroleum Corporation			025575	
 Address of Operator South Fourth Street, Artesia, NM 88210 			10. Pool name or Wildcat	
			Dagger Draw; Upper Penn, North	
4. Well Location Unit Letter G:	1980 feet from the Nort	th line and	1980 feet from	the Fact line
				
Section 8		ange 25E	NMPM Eddy	County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553'GR				
<u> </u>	3333	OK .		
12 Charle	Appropriate Box to Indicate N	Jatura of Notica	Danant on Othan	Data
12. Check	Appropriate Box to findicate is	valure of motice,	Report of Other.	Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK	<	ALTERING CASING 🗌		
_				P AND A
PULL OR ALTER CASING		CASING/CEMENT	「JOB □	
DOWNHOLE COMMINGLE				•
CLOSED-LOOP SYSTEM	J	OTHER:		
OTHER:	nleted operations (Clearly state all	OTHER:	Laiva nortinant data	s including estimated data
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of				
proposed completion or recompletion.				
	•			
	to plug and abandon this well as fo			
1. MIRU all safety equipment as needed. TOH with production equipment.				
2. RIH with GR to 7736'. Set a CIBP at 7726' with 25 sx cement on top.— WVE 4HLS I THE 3. Spot a 50 sx Class "C" cement plug from 5396'-5652' across the DV tool and WC top.— WVE HHLS I THE 4. Spot a 30 sx Class "C" cement plug from 4075' 4225' this will leave a plug across Abo top.				
4. Spot a 30 sx Class "C" cement plug from 4075'-4225', this will leave a plug across Abo top.				
5. Spot a 30 sx Class "C" cement plug from 1840'-1990', this will leave a plug over Glorieta top				
6. Load hole with plugging mud, spot a 30 sx Class "C" cement plug from 1089'-1239' across intermediate casing shoe. WOC and tag,				
reset if necessary.				
	olug from 0-150', this will form the	surface plug. WOC:	and tag, reset if nece	essary.
8. Cut off wellhead, install dry hol-				
NOTE: Please disregard C-101 for	recompletion approved on 2/3/15 A	pproved for plugging of w	ell bore only.	M OIL CONSERVATION
110 12. Thouse disregard C-101 for	L	iability under bond is reta f C-103 (Subsequent Repo	ort of Well Plugging)	ARTESIA DISTRICT
Wellbore schematics attached	i.,	high may be found at OU	D Men Luffe attern	JUN 2 7 2016
	F	orms, www.cmnrd.state.n	m.us/oed-	
Spud Date:	Rig Release D	ate:		RECEIVED
	1	1 10 0 10		I Vin William W Land
WELL MUST BE	PLUGGED BY	6/28/201	7	
I hereby certify that the information	above is true and complete to the b	est of my knowledge	and belief.	
	1 1			
SIGNATURE (Lina) Lune 23, 2016				
SIGNATURE Character TITLE Regulatory Reporting Supervisor DATE June 23, 2016				
Type or print name Tina Hu	erta F-mail address: tinal	a Wystaenatrolaum co	m PHONE:	575 749 4169
Type or print name E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168 For State Use Only				
APPROVED BY: fluit 2 La TITLE COMPLIANCE OFFICE DATE 6/28/2016 Conditions of Approval (if any): SEE ATTACHEO COA-S				
Conditions of Approval (if any):	SE SEE ATTACHI	EO POA-5	<u></u>	
	-V 11,1	سر بربرا یا	-	





CONDITIONS FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases

- 1. Notify NMOCD District Office II at (575)-748-1283 at least 24 hours before beginning work.
- 2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.
- 3. Trucking companies being used to haul oilfield waste fluids to a disposal commercial or private shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.
- 4. Filing a subsequent C-103 will serve as notification that the well has been plugged.
- A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can be released.
- 6. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
- 7. Produced water will not be used during any part of the plugging operation.
- 8. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- 10. Class 'C' cement will be used above 7500 feet.
- 11. Class 'H' cement will be used below 7500 feet.
- 12. A cement plug is required to be set 50' above and 50' below, all casing shoes, casing stubs, DV tools, attempted casing cut offs, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged
- 13. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set
- 14. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.
- 15. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).
- 16. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.
- 17. Formations to be isolated with cement plugs are:
 - A) Fusselman
 - B) Devonian
 - C) Morrow

- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.
- K) Potash--- (In the R-111-P Area (Potash Mine Area), a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, WOC 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
- 18. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, cement will be set 50' below to 50' above perforation inside the casing

DRY HOLE MARKER REQUIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least ¼" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

- 1. Operator name
- 2. Lease and well number
- 3. API number
- 4. Unit letter
- 5. Quarter section (feet from North, South, East or West)
- 6.Section, Township and Range
- 7. Plugging date
- 8. County

(SPECIAL CASES)

AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude be GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)