

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Month - Year

FEB 26 2007

OCD - ARTESIA, NM

5. Lease Serial No.

NM-34452

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Northwestern Shores XR Federal Com #1

9. API Well No.

30-015-24600

10. Field and Pool, or Exploratory Area

Atoka; Glorieta-Yeso

11. County or Parish, State

Eddy County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

Yates Petroleum Corporation

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)

660'FNL & 1980'FEL of Section 36-T18S-R26E (Unit B, NWNE)

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity



Other

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 recomplete 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 as needed. No casing recovery will be attempted. POOH with tubing and TAC at +/-3000'.
2. Set a 5-1/2" CIBP at 2914' with 35' cement on top.
3. Spot a 25 sx Class "C" cement plug with additives from 1275'-1375'. WOC 2-1/2 hours and tag plug, reset if necessary. This will leave a 100' plug across the intermediate casing shoe.
4. Perforate the 5-1/2" casing at 601'. Pump a 50 sx cement plug and displace to 501'. This will leave a 100' plug across the surface casing shoe.
5. Perforate the 5-1/2" casing at 150'. Tie on the 5-1/2" casing and establish circulation. Pump a 60 sx plug and do not displace. This will leave plug from the surface to 150'.
6. Remove all surface equipment and weld dry hole marker per regulations.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Date

February 20, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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

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

Accepted for record
NMOC

APPROVED

FEB 22 2007

FREDERICK WRIGHT
PETROLEUM ENGINEER

WELL NAME: Northwestern Shores XR Federal #1 FIELD: Undesignated Morrow

LOCATION: 660' FNL & 1,980' FEL of Section 36-18S-26E Eddy Co., NM

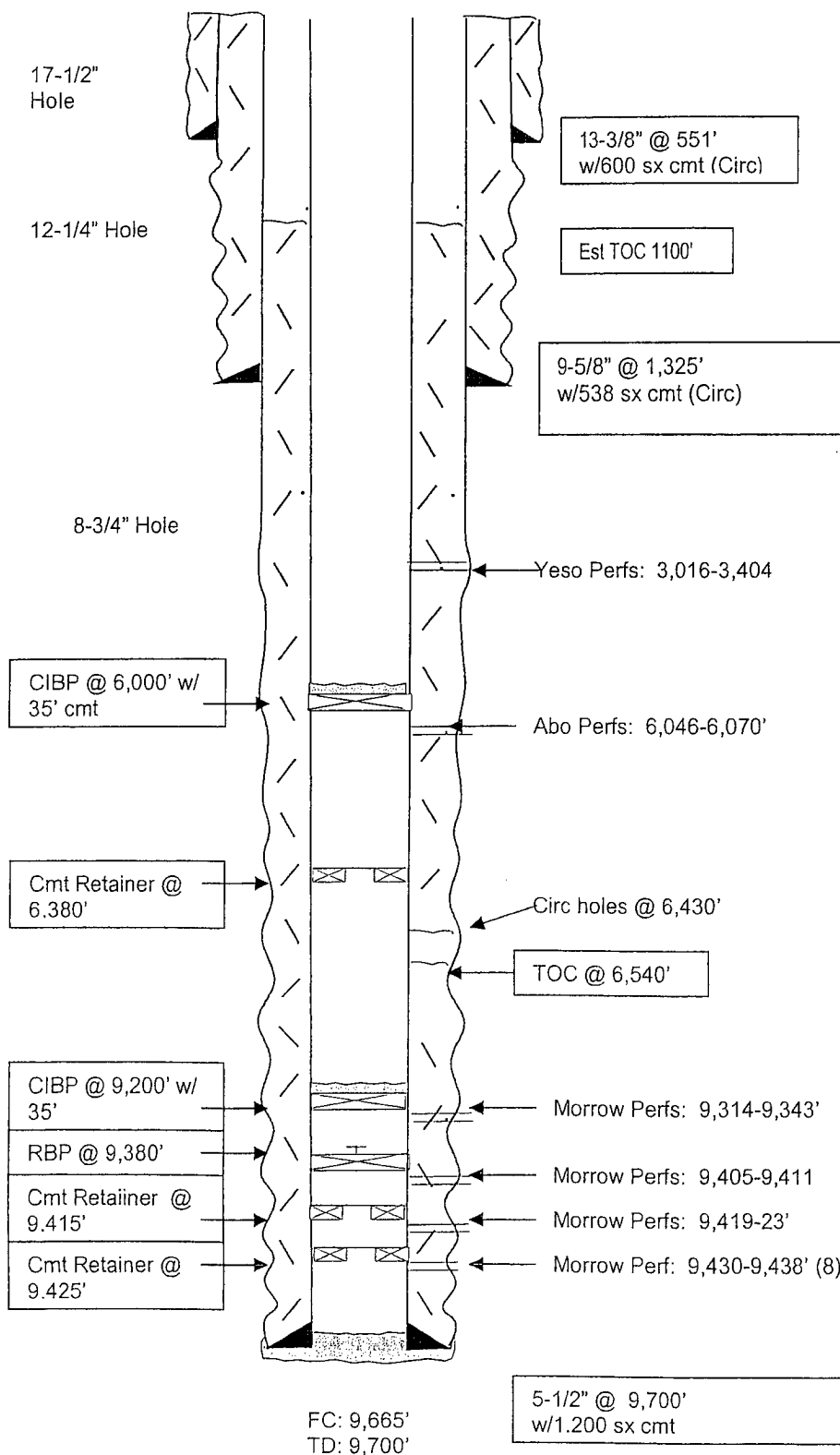
GL: 3,277' ZERO: KB:

SPUD DATE: 9/30/83 COMPLETION DATE: 11/11/83

COMMENTS: API No.: 30-015-24600

CASING PROGRAM

13-3/8" 54.5# J55	551'
9-5/8" 36# J55	1,325'
5-1/2" 17# N80 LTC 1,363'	
5-1/2" 17# K55 LTC 7645'	
5-1/2" 17# N80 700'	9700'



Before

TOPS

SA	1,250'
L. Canyon	7,832'
Strawn	8,415'
Atoka	8,946'
Morrow Cl	9,282'
Chester	9,613'

Accepted for record
NMOCD

Not to Scale
1/15/07
DC/Hill

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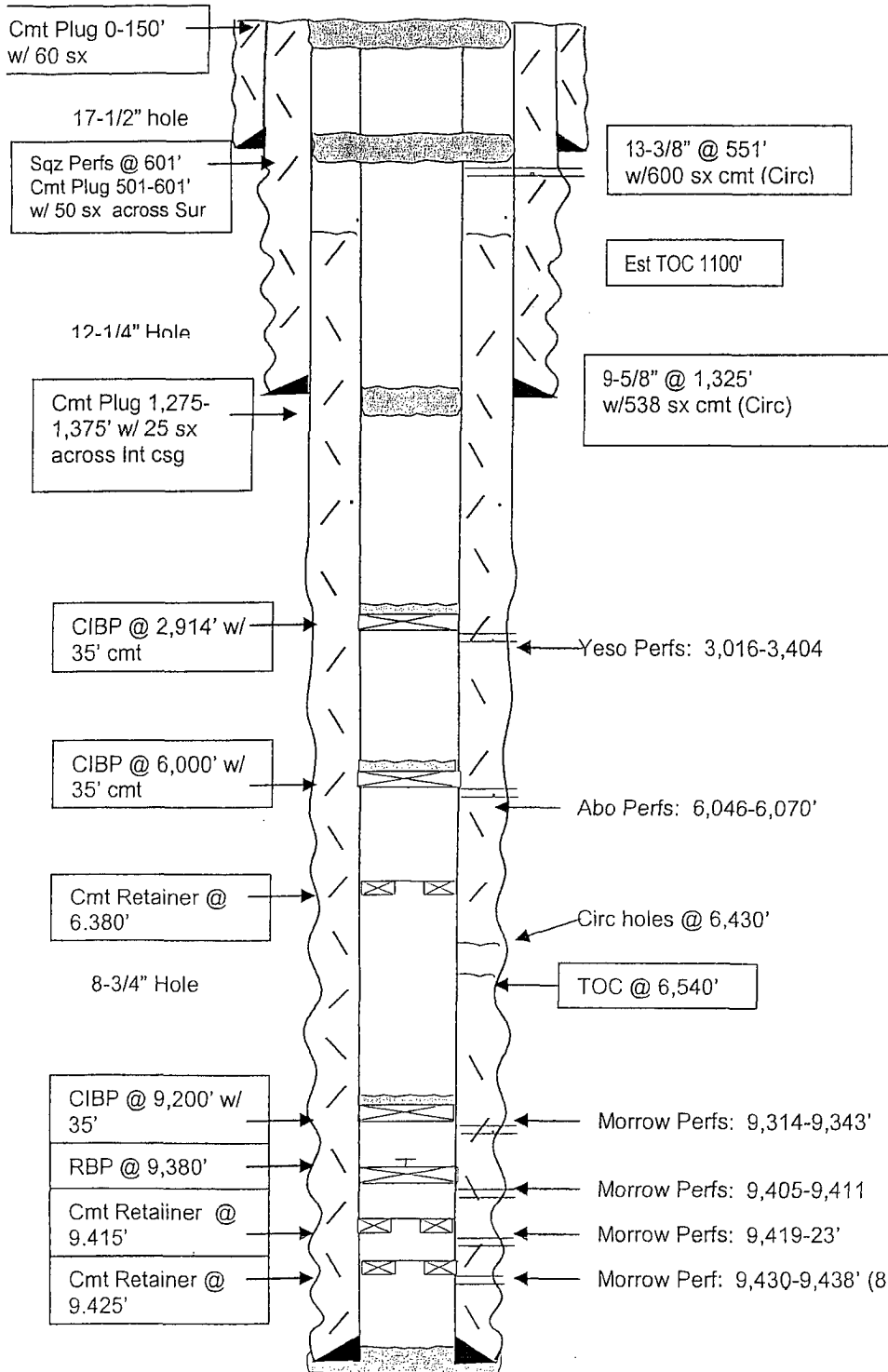
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DC/Hill

5-1/2" @ 9,700'

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to P/A this well with the following modifications to the program:
2. The CIBP proposed to be set @ 2914' must be moved to within 50-100' of the top perf @ 3016' and the cement must be tagged.

*** All plugs, including the surface plug, should leave at least 25 sacks of cement inside the casing and be at least 100 feet, plus an additional 10% for each 1000 feet of depth.**

Plugging procedures must conform to 43 CFR 3162.6.d and Onshore Order No. 2.III.G or NMOCD orders if they are more stringent.

All of the work approved here must be completed within 90 days

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 2/22/07

**Accepted for record
NMOCD**