

N.M. Oil Cons. DIV-Dist. 2  
1001 W. Grand Avenue  
Artesia, NM 88210  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

## 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 page 2.

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

AUG 27 2007

## 2. Name of Operator

Yates Petroleum Corporation

OCD-ARTESIA

## 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)

990'FSL &amp; 1650'FWL of Section 34-T5S-R25E (Unit N, SESW)

## 5. Lease Serial No.

NM-40029

## 6. If Indian, Allottee or Tribe Name

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

## 8. Well Name and No

Alkali Federal Com #10

## 9. API Well No.

30-005-61356

## 10. Field and Pool or Exploratory Area

Pecos Slope; Abo

## 11. County or Parish, State

Chaves 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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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.
2. Set a CIBP at 3669' with 35' cement on top. This puts a plug over the Abo.
3. Perforate and spot a 40 sx Class "C" cement plug from 1524'-1624'. This puts a 100' plug across the top of the Glorieta, inside and outside the casing. WOC and tag plug.
4. Perforate and spot a 35 sx Class "C" cement plug from 1000'-1100'. This puts a 100' plug across the intermediate casing shoe, inside and outside the casing. WOC and tag plug.
5. Perforate and spot a 30 sx Class "C" cement plug from 656'-756'. This puts a 100' plug across the surface casing shoe, inside and outside the casing. WOC and tag plug.
6. Perforate at 60' and circulate 15 sx Class "C" cement plug from 60' up to the surface, inside and outside the casing.
7. Remove all surface equipment, weld dry hole marker and clean location as per regulations.

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

August 20, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

APPROVED FOR

Date MONTH PERIOD

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.

ENDING

NOV 21, 2007

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.

(Instructions on page 2)

APPROVED

AUG 21 2007

GARY GOURLEY  
PETROLEUM ENGINEERAccepted for record  
NMOCDSEE ATTACHED FOR  
CONDITIONS OF APPROVAL

WELL NAME: Alkali Fed Com #10

FIELD: Pecos Slope

LOCATION: 990' FSL & 1,650' FWL of Section 34-5S-25E

Chaves Co., NM

GL: 3689' GR ZERO: KB:

SPUD DATE: 2/1/82 COMPLETION DATE:

COMMENTS:

#### CASING PROGRAM

13-3/8" 48# H-40	706'
8-5/8" 24# K-55	1,813'
4-1/2" 10.5# K-55	4,318'

17 1/2" Hole

12 1/4" Hole

7 7/8" Hole

13-3/8" @ 706' w/  
1000 sx cmt TOC @ 190'  
Sat 7 plugs with a total of 1100 sxs  
"C" Circulated

BEFORE

#### Formation tops:

San Andres : 608'  
Glorieta : 1,574'  
Tubb : 3,050'  
Abo : 3,695'

8-5/8" @ 1 813' w/  
1,050' sx cmt (Circ)

TOC @ 2728'

Abo perms: 3719', 52', 57', 60', 63' 2 jspf

Abo perms: 3820', 55', 73', 74', 76', 77', 80, 81 2 jspf

4-1/2" @ 4,318'  
w/ 350 sx

PBTD 4,251'  
TD : 4,318'

Accepted for record  
NMOCD

Not to Scale  
8/24/06  
MMFH

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FIELD: Pecos Slope

LOCATION: 990' FSL & 1,650' FWL of Section 34-5S-25E

Chaves Co., NM

GL: 3689' GR

ZERO:

KB:

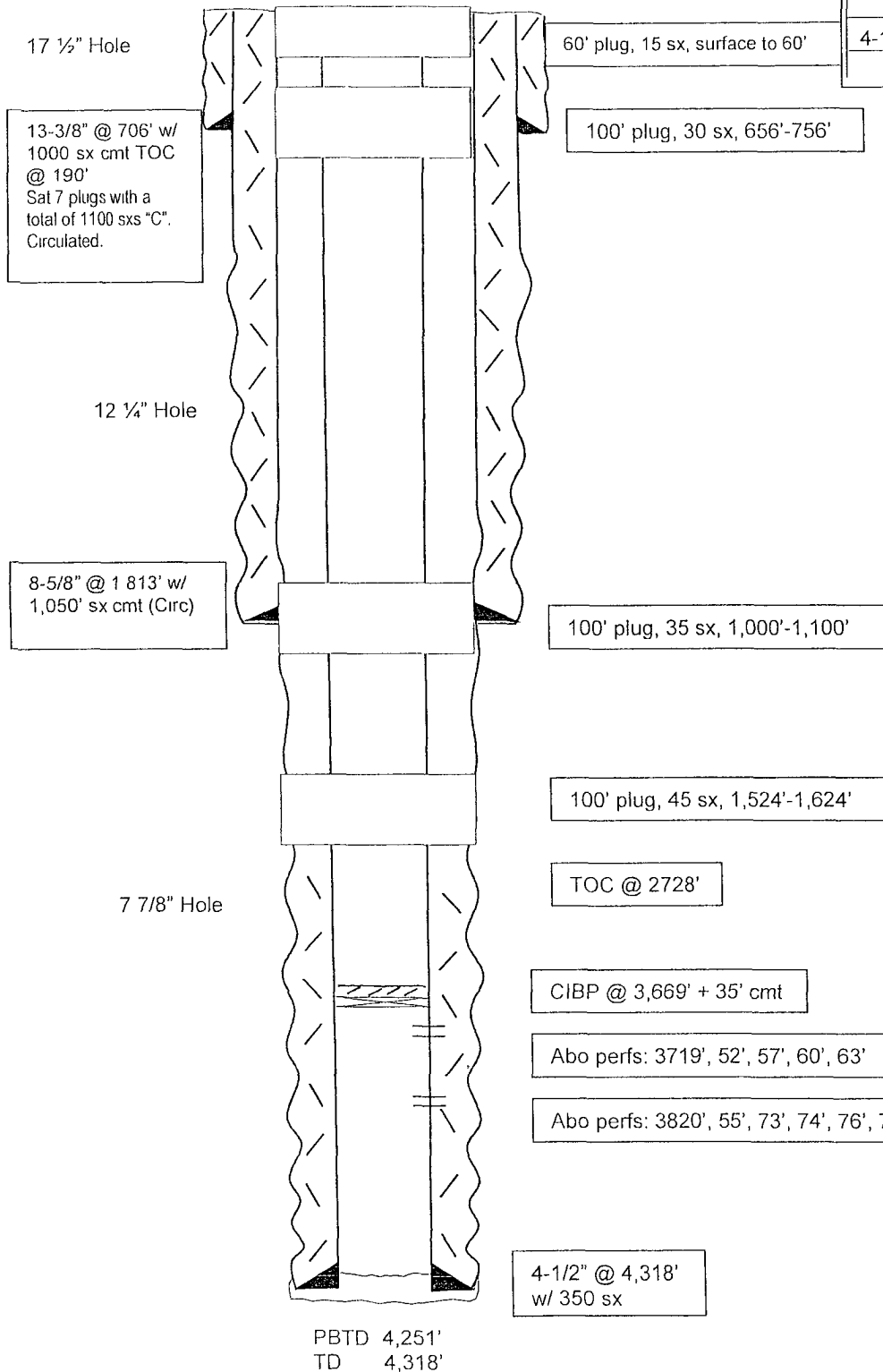
SPUD DATE: 2/1/82

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### CASING PROGRAM

13-3/8" 48# H-40	706'
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AFTER

### Formation tops:

San Andres : 608'  
Glorieta : 1,574'  
Tubb : 3,050'  
Abo : 3,695'

Accepted for record  
NMOCD

Not to Scale  
3/12/07  
MMFH

**BUREAU OF LAND MANAGEMENT**  
**Roswell Field Office**  
**2909 West Second Street**  
**Roswell, New Mexico 88201**  
**505-627-0272**

**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 this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 505-627-0272, Eddy County call 505- 234-5972; for wells in Lea County call 505-393-3612.

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 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the 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 are not final.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs./gal. with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 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 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 BLM. 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.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

**Accepted for record**  
**NMOCD**