

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM 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.**

5. Lease Serial No.  
LC 063567

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

NOV 12 2008

OCD-ARTESIA

2. Name of Operator  
Sagebrush Oil and Gas Company LLC

8. Well Name and No.  
Yates Federal #3

9. API Well No.  
30-015-01030

3a. Address  
400 W Illinois, Suite 950  
Midland, Texas 79701

3b. Phone No. (include area code)

432-685-0169

10. Field and Pool or Exploratory Area  
McMillian (7 rivers/Queen)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1650 FSL, 330 FEL, Section 6, T20S, R27E

11. Country or Parish, State  
Eddy County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input checked="" 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	

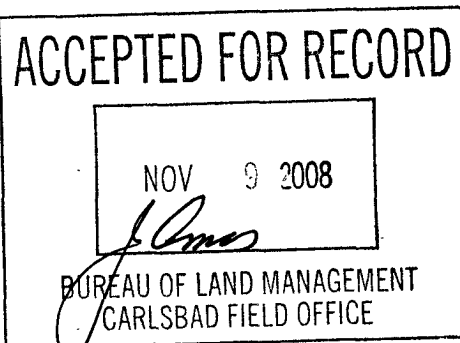
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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.)

See attached information

ACCEPTED FOR RECORD

NOV 13 2008

Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Paula Dillard

Title Tech

Signature

Date

11-3-08

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Date

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.

(Instructions on page 2)

**11/13/2007**

Drove to BLM office in Carlsbad and picked up BLM approved Form 3160-5 from BLM representative Duncan Whitlock. Drove to Yates Federal #3 location and rigged up C&N Water Well Service unit. Dug out around wellhead with shovels. Found 7" casing head open with no tubing or rods in wellbore. Ran bailer in hole on wireline and tagged bottom at 620'. (has 35' of fill in open hole). Arranged to buy 600' of 2" Schedule 80 PVC pipe from D&N. Shut in overnight pending delivery of pipe. Bought funnel for pouring cement. Contacted other contractors needed for cement job. Mr. Darrell Carter with BLM was on location to witness operations. Stayed overnight in Carlsbad, NM

**11/14/2007**

Waited on delivery of PVC pipe. T&T backhoe dug out around wellhead. Found well had no surface or conductor pipe. TIH w/30 jts (600') of 2" Schedule 80 PVC pipe to 600'. Lafarge Cement Co. poured 8 cubic yards of Class C Cement slurry down 2" tubing, but had no returns to surface. TOH w/2" PVC tubing. Finished at 6 PM. (dark) Wait on cement overnight. Note: Calculated amount of cement to fill casing was 6 3/4 cubic yards indicating cement leaked into formation.

**11/15/2007**

Ran bailer in hole and tagged cement at 375'. TOH w/bailer. TIH w/18 jts 2" schedule 80 PVC tubing 60 to 360'. Poured 4 cubic yards Class C Neat cement down tubing and filled 7" casing to surface. Laid down PVC tubing and topped 7" casing w/cement. Cement top is stable. Rigged down and moved off. Plugging of Yates Federal #3 completed on 11-15-07. Prep'd to cutoff anchors, cut off wellhead, weld cap and marker pipe on 7" casing stub, then level location.

**11/16/2007**

Dug out wellhead w/backhoe. Cut 7" wellhead off. Welded cap and marker pipe on casing stub. Dug out anchors and cut anchors off below ground level. Leveled dirt around wellhead. Plugging operations complete except for re-mediating location. Note: Top of cement in 7" casing is 3' below ground level

**Note: BLM engineer (Wesley Ingram) decided it would not be necessary to attempt to pump cement behind 7" casing nor to require perforating 7" casing and squeezing at 60' because there was no conductor or surface pipe and thus no annulus.**