

Submit 1 Copy To Appropriate District
Office
District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-28853
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Marshall APH
8. Well Number 3
9. OGRID Number 025575
10. Pool name or Wildcat Dagger Draw; Upper Penn, North

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3528'GR

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	RECEIVED JUN 15 2010 NMOCD ARTESIA
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>C</u> : <u>840</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>9</u> Township <u>19S</u> Range <u>25E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3528'GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING ORNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

**Notify OCD 24 hrs. prior
To any work done.**

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.

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. MIRU WSU. NU BOP. Rig up all safety equipment as needed. No casing recovery will be attempted. POOH with tubing and packer if any exist.
 - * 2. Set a CIBP at 7734' with 35' cement on top. This will place a plug over open Canyon perforations.
 3. Spot a 190' Class "C" cement plug from 5361'-5551'. This will leave a plug across Wolfcamp top.
 4. Spot a 190' Class "C" cement plug from 4313'-4503'. This will leave a plug across Abo top.
 5. Spot a 190' Class "C" cement plug from 1901'-2091'. This will leave a plug across Glorietta top.
 6. Spot a 190' Class "C" cement plug from 975'-1165'. WOC and tag plug, reset if necessary. This will leave a plug across surface casing shoe.
 7. Spot a 150' Class "C" cement plug to surface. WOC and tag plug, reset if necessary. This will leave a 150' surface plug.
 8. Remove all surface equipment and weld dry hole marker per regulations.
- NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

Spud Date:

Rig Release Date:

* Required D.U. Tool Cmt Plug 5968'-6068'

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 14, 2010

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE
Conditions of Approval (if any):

Approval Granted providing work
is complete by 9/16/2010 DATE 6/16/2010

WELL NAME: Marshall APH #3 FIELD: Dagger Draw

LOCATION: 840' FNL & 1,980' FWL of Section 9-19S-25E Eddy Co., NM

GL: 3,528' ZERO: 16 KB: 3544'

SPUD DATE: 4/13/96 COMPLETION DATE: 5/17/96

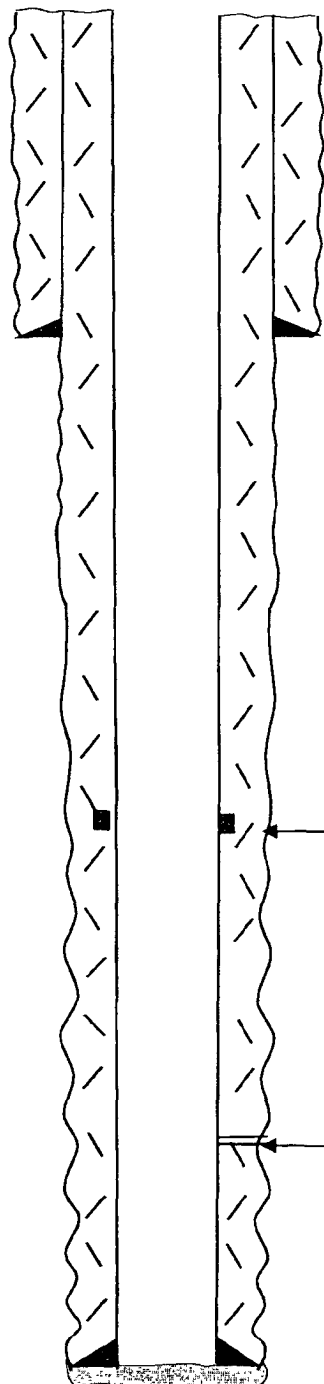
COMMENTS: API No.: 30-015-28853

CASING PROGRAM

9-5/8" 36# J-55	1,160'
7" 26# J-55 (771')	
7" 23# J-55 (4,767')	
7" 26# J-55 (2,719')	8,250'

14-3/4" Hole

8-3/4" Hole



9-5/8" @ 1,160' w/1450 sx (Circ)

DV Tool @ 6,018'

CanyonPerfs: 7,784-32' (18); 7,859-76' (6)

PBSD: 8,108'
TD: 8,250'

7" @ 8,250' w
1st Stage: 550 sx
2nd Stage: 800 (Circ)

Before

TOPS

SA 637'
Glorieta 2,041'
Abo 4,453'
WC 5,501'
Canyon 7,644'

Not to Scale

10/27/09
DC/Hill

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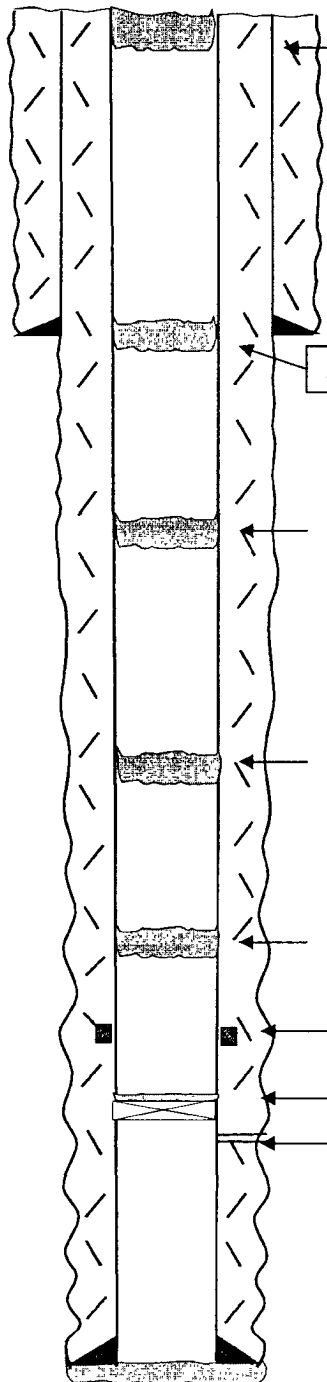
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14-3/4" Hole



25 sx Plug 0-150'

9-5/8" @ 1,160' w/1450 sx (Circ)

25 sx Plug 975-1,165' across shoe

25 sx Plug 1,901-2,091' across GL

25 sx Plug 4,313-4,503' across Abo

25 sx Plug 5,361-5,551' across WC

DV Tool @ 6,018'

CIBP @ 7,734' w/ 35' cmt

CanyonPerfs: 7,784-32' (18), 7,859-76' (6)

After

TOPS

SA	637'
Glorieta	2,041'
Abo	4,453'
WC	5,501'
Canyon	7,644'

8-3/4" Hole

** Required O.V. Tool cmt Plug
5968'- 6068'*

PBD: 8,108'
TD: 8,250'

7" @ 8,250' w
1st Stage: 550 sx
2nd Stage: 800 (Circ)

Not to Scale
5/18/10
DC/Hill