

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue
Artesia, NM 88210

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

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.

5. Lease Serial No.

NM-0559535

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐

Oil Well

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Gas Well

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Other Plug and Abandon

RECEIVED

2. Name of Operator

Yates Petroleum Corporation

AUG 27 2004

8. Well Name and No.

Federal FR #2

3a. Address

105 S. 4th Str., Artesia, NM 88210

3b. Phone No. (include area code)

505-748-1471

9. Well No.

30-015-22069

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1980'FNL & 660'FEL of Section 28-T16S-R30E (Unit H, SENE)

10. Field and Pool, or Exploratory Area

Square Lake Grbrg-SA

11. County or Parish, State

Eddy County, New Mexico

12. CHECK 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 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 recomple 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 recomple 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.)

Approved as to plugging of the well bore.

Liability under bond is retained until surface restoration is completed.

8/12/04 Set 5-1/2" CIBP at 2928' with 25 sx cement on top.

8/13/04 Perforated casing at 1378'. BLM OK'd to spot cement from 50' below perms at 1378'. Mixed and spotted 40 sx cement at 1433' with 1 sack Calcium Chloride.

8/15/04 Tagged cement at 985'. BLM OK'd perf at 365', set tubing at 414' and spot cement. Spotted 100 sx cement with 2 sx Calcium Chloride. WOC. Tagged cement at 315'. Advised to spot 20 sx cement and re-tag per BLM. Spotted 20 sx cement.

8/17/04 Tagged cement at 203'. Perforated casing at 60'. Circulated 20 sx cement to surface. Installed dry hole marker. **WELL IS PLUGGED AND ABANDONED. FINAL REPORT.**

Please notify Jim Krogman (505-365-8340) 3 days prior to BLM inspection, so we have the opportunity to meet with the inspector on location to confirm all reclamation requirements before receiving the notice of written order.

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

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

August 20, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

PETROLEUM ENGINEER

Date

AUG 26 2004

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



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

06-Jan-04

YATES PETROLEUM CORPORATION

105 S 4TH ST

ARTESIA NM 88210-0000

Lori Wrotenbery

Director

Oil Conservation Division

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AUG 27 2004

OCD-ARTESIA

NOTICE OF VIOLATION - Inactive Well(s)

Dear Operator:

A review of our records and recent inspection(s) indicate that the subject well(s) has been shut-in for an extended period of time. Rule 201 of the Rules and Regulation of the Oil Conservation Division provides that a well may be shut-in no longer than sixty days after suspension of drilling operations, upon determining that the well is no longer usable (e.g., a dry hole), or one year after last production. To comply with guidelines as established in the Rules and Regulations, corrective actions must be taken immediately and the well(s) brought into compliance.

The detail section below indicates preliminary findings and/or probable nature of the violation.

The following options are available:

1. Immediately restore the well(s) to production, injection or disposal as applicable.
2. Request 'Temporary Abandoned' status pursuant to Rule 203, which requires that you set a plug and conduct a mechanical integrity test.
3. Submit a proposal to 'Plug and Abandon' the well(s) pursuant to Rule 202, proceed with plugging procedures on a timely basis after the proposal has been evaluated, amended and/or approved.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of OCD rules.

IDLE WELL INSPECTION DETAIL SECTION

FEDERAL FR 001	I-28-16S-30E	30-015-21750-00-00	Inspection No. iMLB0400627659	
Inspection Date:	1/6/2004 7:40:54 AM		Corrective Action Due by: 4/10/2004	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	
Routine/Periodic	Mike Bratcher	Yes	No	
Comments on Inspection:	Last production reported was 5/02. Well is in violation of Rule 201.			
FEDERAL FR 002	H-28-16S-30E	30-015-22069-00-00	Inspection No. iMLB0400544348	
Inspection Date:	1/5/2004 12:19:01 PM		Corrective Action Due by: 4/9/2004	
Type Inspection	Inspector	Violation?	*Significant Non-Compliance?	
Routine/Periodic	Mike Bratcher	Yes	No	
Comments on Inspection:	Last production reported 5/02. Well is in violation of Rule 201.			