

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-015-27448
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-414
7. Lease Name or Unit Agreement Name Beauregard ANM State Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Red Lake; Atoka-Morrow

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 <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210
4. Well Location Unit Letter <u>L</u> : <u>1980</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>14</u> Township <u>18S</u> Range <u>27E</u> NMPM <u>Eddy</u> County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3475'GR

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input checked="" type="checkbox"/> CONDITIONS OF APPROVAL ATTACHED
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING/CEMENT <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	Approval Granted providing work is Completed by <u>Sept 11, 2014</u>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	OTHER: <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

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. Procedure assumes all equipment is already RU at the well site and all the safety equipment necessary to complete the job is in place.
2. Set a retainer at 3550' inside 7" casing, sting into the retainer and pressure up on the 2-7/8" x 7" annulus to 1000 psi. Displace the tubing with fresh water. Displace the 7" x 9-5/8" annulus with fresh water.
3. Tie on to the 9-5/8" x 7" annulus and pump 1100 sx Class "C" cement while monitoring the tubing pressure. Then shut in the 9-5/8" and move to the tubing, pump 500 sx down the 2-7/8" tubing and displace it to the retainer. Sting out of the retainer and reverse circulate clean. WOC.
4. Pull CBL to find TOC.
5. Set a 25' cement plug on top of retainer. If necessary perforate and place cement inside and outside 7" casing.
6. Set a 150' cement plug across 9-5/8" shoe from 2090'-2240' and if necessary perforate and place cement inside and outside 7" casing. WOC and tag plug, reset if necessary.
7. Set a 150' cement plug across 13-3/8" shoe from 270'-420' and if necessary perforate and place cement inside and outside 7" casing. WOC and tag plug, reset if necessary.
8. Set a 150' cement plug at surface from 0-150' and if necessary perforate and place cement inside and outside 7" casing. WOC and tag plug, reset if necessary.
9. Remove all surface equipment and weld dry hole marker per regulations.

Spud Date:

Rig Release Date:

Approved for plugging of well bore only.
Liability under bond is retained pending receipt of 303 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

RECEIVED
SEP 10 2013
NMOCD ARTESIA

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE September 9, 2013

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

APPROVED BY: [Signature] TITLE Dr. H. Spewison DATE 9/11/2013
Conditions of Approval (if any):

★ See Attached COA's

WELL NAME: Beauregard ANM State Com #1FIELD: Red LakeLOCATION: 1,980' FSL & 660' FWL Sec 14-18S-27EEddy County, NMGL: 3,475' ZERO: _____ KB: _____SPUD DATE: 9/24/93 COMPLETION DATE: 10/11/93COMMENTS: API No.: 30-015-27448

CASING PROGRAM

13-3/8" 54.5# J-55	370'
9-5/8" 36# J55 STC	2,190'
7" 26# J55 LTC	412'
7" 23# J55 LTC	5,596'
7" 26# J55 LTC	7,559'
4-1/2" 11.6# N80 LTC	10,095'

Redi Mix
to surface17-1/2"
Hole12-1/4"
Hole

8-3/4" Hole

6-1/8" Hole

TOC 80'

13-3/8" @ 370' w/750 sx cmt

9-5/8" @ 2,190' w/ 850 sx cmt (Circ)

Bad casing from 3,587' to 6,635", will not pressure test.

Parted Casing @ 6,571' that has move
over and we are unable to get below this
point.

TOC = 6,620' By TS

RBP @ 7,093'

Liner Top @ 7,304'

50 sx plug 7,105' - 7,354' Across liner top

7" @ 7,559' w/300 sx cmt

Fish @ 9,5485 to 9,563' (packer and shot off tubing)
w/ 25 sx olua 9.137' - 9.466'

Perfs: 9,633-38 (12)

Relainer @ +/- 9,720'

Perfs: 9,726-36' (14) Squeezed with 50 sx cmt

4-1/2" @ 10,095' w/365 sx cmt (Circ Liner Top)

TD 10,100'

Curent

TOPS

San Andres	1,786'
Glorieta	3,402'
Abo Reef	5,066'
3 rd BS	6,361'
Permo Penn	6,872'
Strawn	8,745'
Atoka	9,257'
Morrow Cl	9,618'
Chester	9,940'

Not to Scale
9-5-13
Hill

WELL NAME: Beaugard ANM State Com #1

FIELD: Red Lake

LOCATION: 1,980' FSL & 660' FWL Sec 14-18S-27E

Eddy County, NM

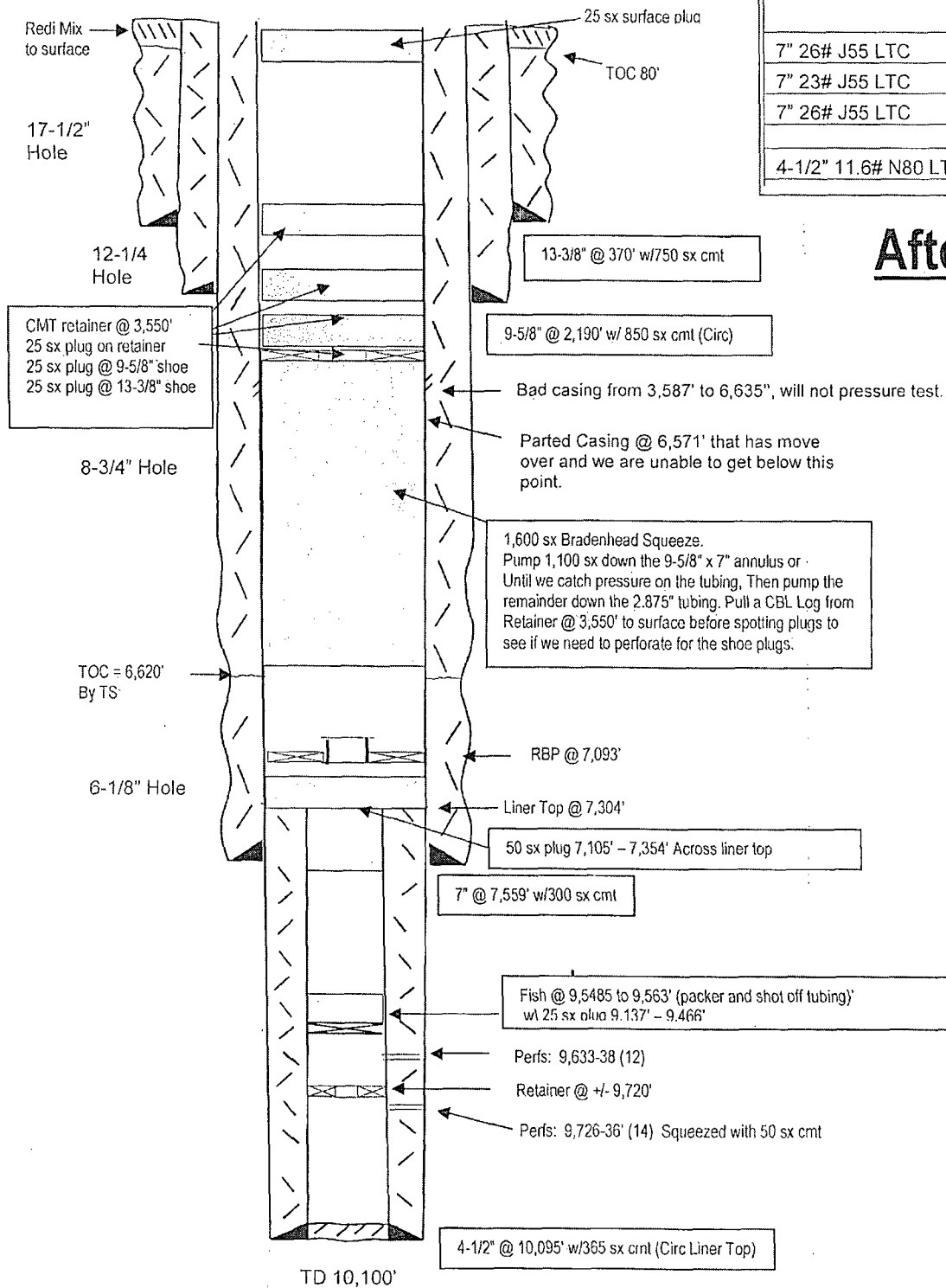
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After P&A

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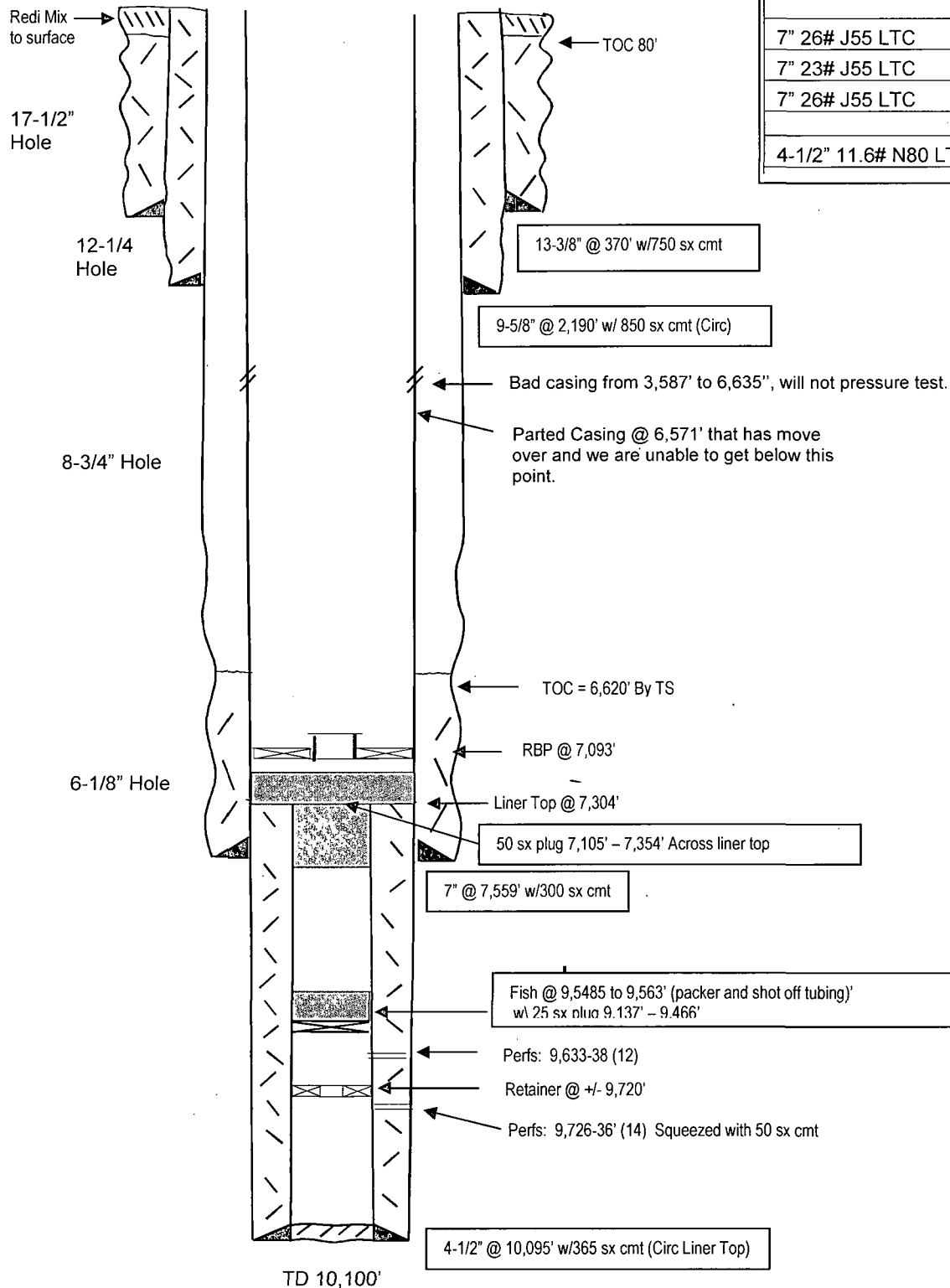
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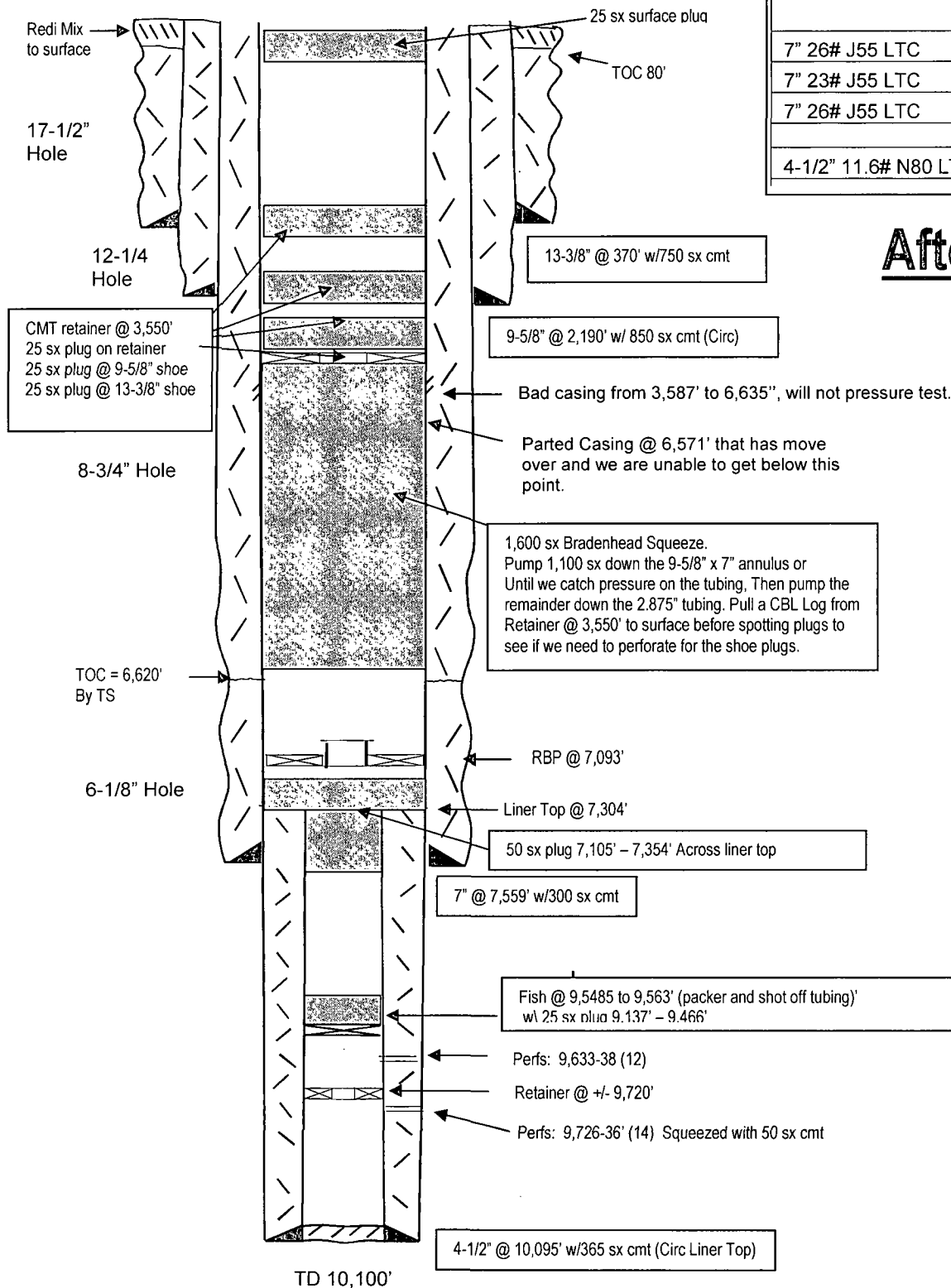
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NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Yates Petroleum

Well Name & Number: Beauregard ANM State Com 1

API #: 30-015-27448

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. Cement Retainers may not be used.

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: *Sep 11, 2013*

APPROVED BY: *SLDade*

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.
- Formations to be isolated with plugs placed at the top of each formation are:
 - Fusselman
 - Devonian
 - Morrow
 - Wolfcamp
 - Bone Spring
 - Delaware
 - Any Salt Section (Plug at top and bottom)
 - Abo
 - Glorieta
 - Yates (this plus is usually at base of salt section)
- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- In the R-111-P area (Potash Mine area) a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).