

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0135
Expires March 31, 2007Month - Year
FEB - 5 2007

OCD - ARTESIA, NM

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

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Oil Well

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Gas Well

☐

Other

2. Name of Operator

Yates Petroleum Corporation

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)

1980'FSL & 2130'FEL of Section 3-T24S-R24E (Unit J, NWSE)

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 recomplate 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 recompletion 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.)

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

1. RIH with gauge ring and junk basket to +/-9910'.
2. Set a 4-1/2" CIBP at 9903' with 35' cement on top.
3. Spot 100' cement plug (10 sx) across the Canyon from 8073'-8173'.
4. Spot 100' cement plug (10 sx) across the Wolfcamp from 7581'-7681'.
5. Spot 100' cement plug (10 sx) from 4481'-4581'.
6. Spot 100' cement plug (10 sx) across the Bone Spring from 3640'-3740'. POOH laying down all but 2355' of tubing.
7. Perforate squeeze holes at 2455'.
8. Spot 100' cement plug (estimate +/-1510 sx) from 2355'-2455' inside and outside the casing. Tag plug.
9. Spot 100' cement plug (10 sx) from 400'-500'. Tag plug.
10. Spot 100' cement plug (10 sx) from 100' to surface. Tag plug.
11. Cut off wellhead and install dry hole marker as per regulated.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

SEE ATTACHED FOR
CONDITIONS OF APPROVALAccepted for record
NMOC

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

Signature

Date

January 16, 2007

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.

Title

Office

APPROVED

Date

JAN 24 2007

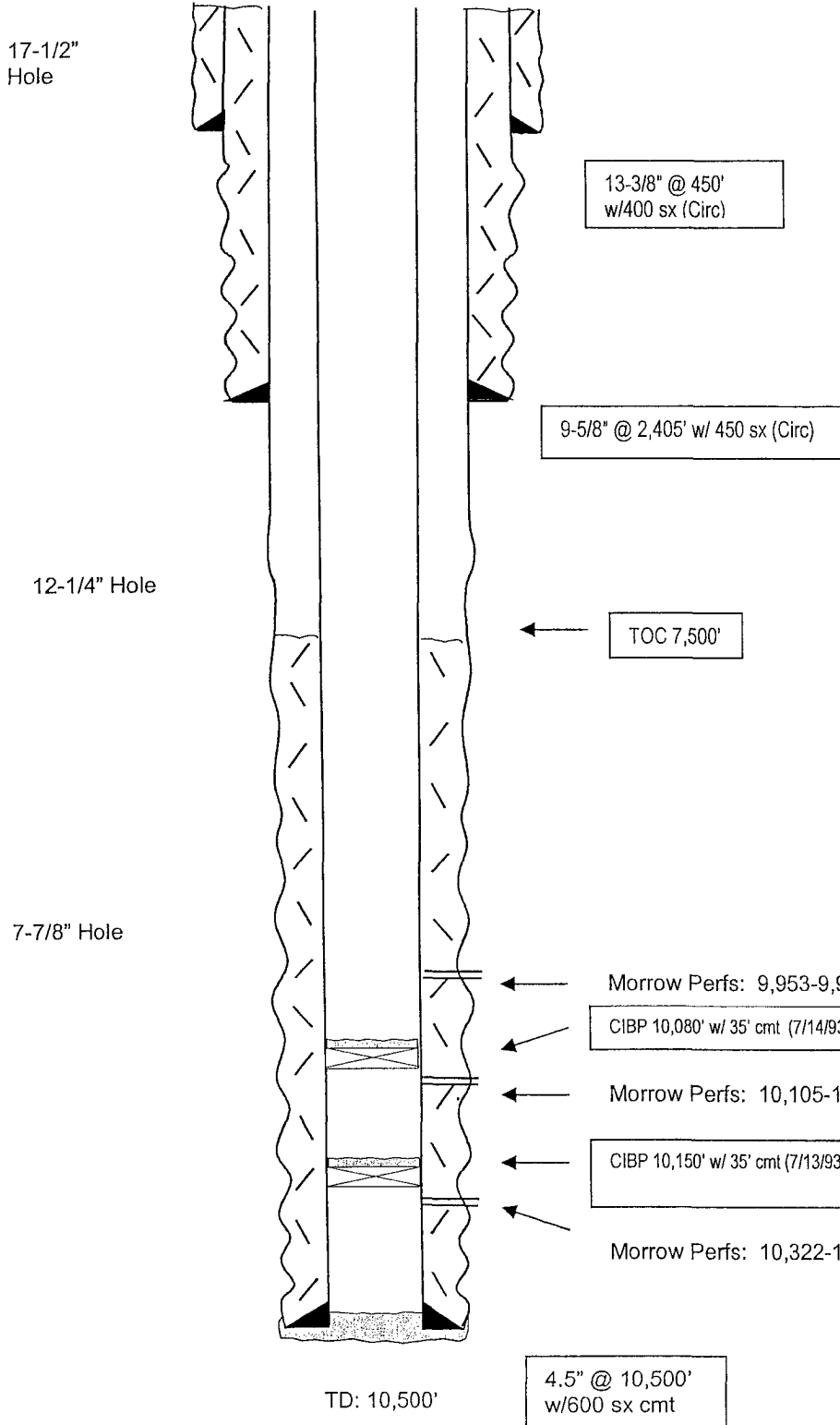
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

FREDERICK WRIGHT
PETROLEUM ENGINEER

WELL NAME: Lechuguilla Canyon DK #1 FIELD: Crooked Creek Morrow
 LOCATION: 1,980' FSL & 2,130' FEL of Section 3-24S-24E Chaves Co., NM
 GL: 3,850 ZERO: KB: 3,865
 SPUD DATE: 11/28/04 COMPLETION DATE:
 COMMENTS: API No.: 30-005-63689

CASING PROGRAM

13-3/8" 48# K55 STC	<u>350'</u>
9-5/8" 36# J55 STC	<u>2,405'</u>
4.5 11.6# K55 & N80 LTC	<u>10,500'</u>



Before

**Accepted for record
NMOCD**

Not to Scale

1/3/07
DC/MossI

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Chaves Co., NM

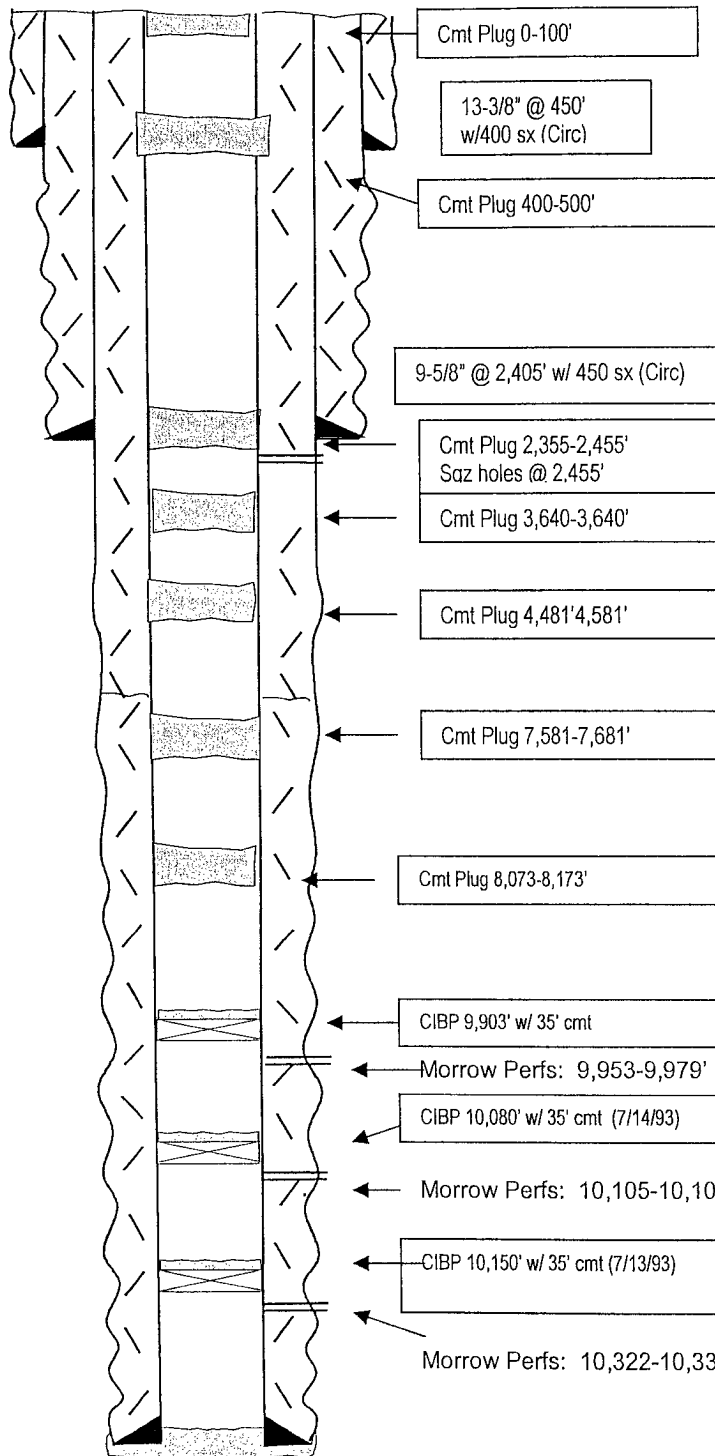
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17-1/2"
Hole

TD: 10,500'

After**Tops:**

Delaware Sand	2450'
BS Lm	3,690'
BS Sd	7,276'
WC	7,631'
Canyon	8,123'
Strawn	8,641'
Atoka	9,129'
Morrow Cl	9,858'
Morrow	10,136'
Chester Sh	10,337'

**Accepted for record
NMOCD****Not to Scale**

1/3/07

DC/MossI

SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to P/A this well with the following modifications to the program:
2. The cement on top of the CIBP must be tagged.
3. The casing must be perforated and squeezed for the plugs @ 2455', 500' and 100' leaving at least 25 sack of cement inside the casing. In the case of the plugs @ 500' and 100'; these plugs can be combined into one plug, however the annulus must be cemented to the surface.

*** All plugs, including the surface plug, should be at least 25 sacks of cement and 100 feet.**

All of the work approved here must be completed within 90 days

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 1/24/07

**Accepted for record
NMOCD**