Form 3160-5 (August 2007)

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

DEPARTMEI F THE INTERIOR 301 W. Grand Avenue BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires July 31, 2010

Artesia NM 88210

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. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well Oil Well X Gas Well Other REVISED				5. Lease Serial No. INM-101575		
				6. If Indian, Allottee or Tribe Name		
				7. If Unit or CA/Agreement, Name and/or No.		
				NM 111026		
				NM-111036 8. Well Name and No.		
				Carlos DOD Fadasal Cara #0		
2. Name of Operator Vatos Potroloum Corporation				Cooker BCB Federal Com #2		
Yates Petroleum Corporation 3a. Address 3b. Phone No. (include			9. API Well No. e area code) 30-005-636			
105 S. 4th Str., Artesia, NM 88210	· · ·	575-748-1471		10. Field and Pool or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., M., OR Survey Description		0-1471		Pecos Slope; Abo		
1. Ecoducin of vyoli proceedings, coost, r.s, r.s, m., or coursely accompany	''			11. County or Parish, State		
960'FNL & 990'FEL of Section 21-T6S-R26E (Unit A, NENE)				Chaves County, New Mexico		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, RE						
	TO INDICATE NAT			- OTHE	.K DATA	
TYPE OF SUBMISSION TYPE OF ACTION						
Acidize	Deepen		P-oduction (Start/Resun	ne)	Water Shut-Off	
	<u> </u>					
Notice of Intent Alter Casing	Fracture Tr	ent	Reclamation	<u></u>	Well Integrity	
Subsequent Report	ir New Const	ruction	Recomplete	L	Other	
Change Plans	s X Plug and A	oandon	Temporarily Abandon			
Final Abandonment Notice Convert to It	njection Plug Back		Water Disposal		•	
Attach the Bond under which the work will be performed or provide the following completion of the involved operations. If the operation results testing has been completed. Final Abandonment Notices must be filed determined that the site is ready for final inspection. Yates Petroleum Corporation plans to plug and abanched Petroleum Corporation plug and abanched Petroleum Corporation plug inside and outside casing. Set a CIBP at 3746' with 50' cement on top. This is a class "C" cement plug inside and outside casing. Perforate and spot a 50 sx Class "C" cement plug shoe, inside and outside casing. WOC and tag. Perforate and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 30 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement plug shoe, inside and spot a 50 sx Class "C" cement	sin a multiple completion or recoronly after all requirements, including a modern and the second of	npletion in a new intering reclamation, have vs: oted. TOOH with the purple and a chis puts a 100' core, outside and on as per regular and Federal,	val, a Form 3160-4 must been completed and the dith production tub across the top of to dement plug acro dement plug acro	ping. Note the Abo. Toss top of the Surface	MOCD ARTES	
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)						
Tina Huerta	Title	Regulatory	Compliance Su	pervisor		
Signature (1 1 2 2)	Date	December	6 2010			
	ACE FOR FEDERAL OR					
	OO		UM ENGINEER		5000	
Approved by /5/ DAVID R. GLA: Conditions of approval, if any, are attached. Approval of this notic	ce does not warrant or		OIVI LIVOITVILLE	Date	JAN 0 3 2011	

(Instructions on page 2)

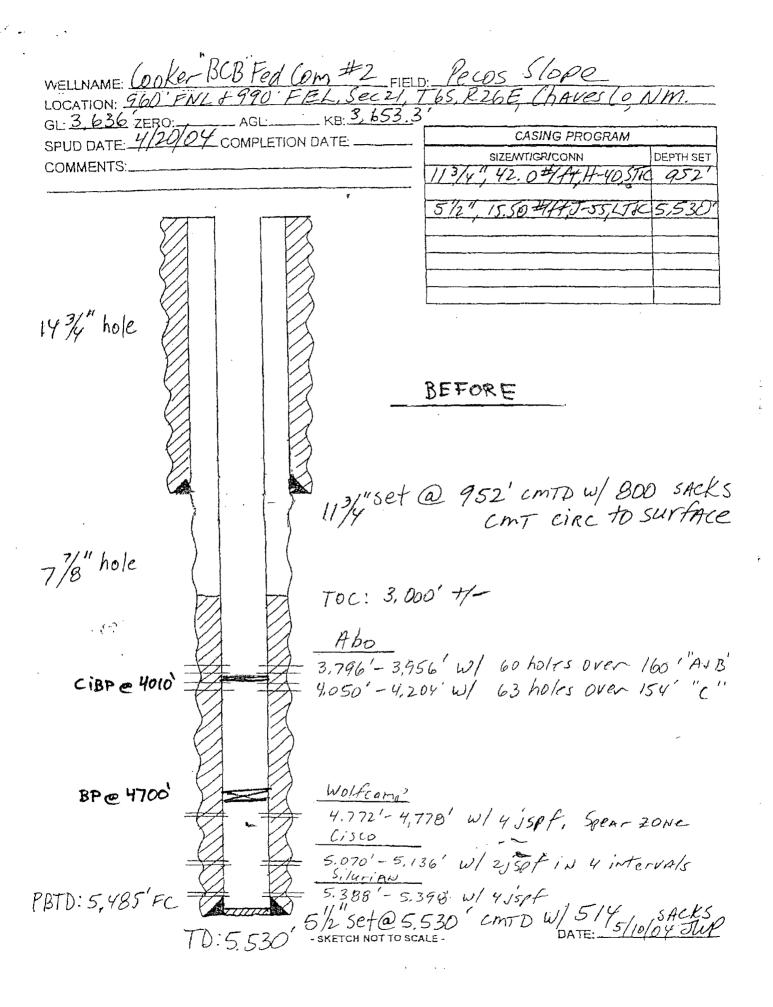
certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle trie applicant to conduct operations thereon.

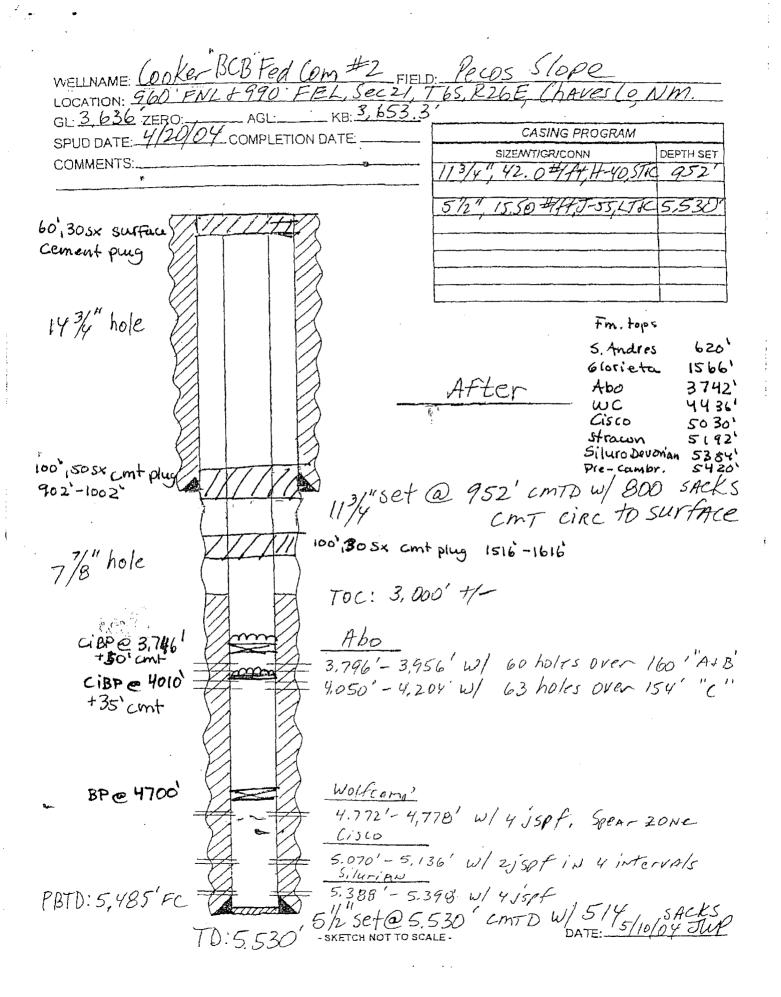
Title 18 U.S. 6#Section 4001 and Title 43 U.S. C. Section 2212, make it a crime for any person known of and Million makent as

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Office

ROSWELL FIELD OFFICE





BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (575) 627-0272

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

- 1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon. If you are unable to plug the well by the 90th day provide the BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 627-0205 or after office hours call (575) 420-2832. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.
- 3. <u>Blowout Preventers:</u> A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement:</u> Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

- 6. <u>Dry Hole Marker:</u> All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to the BLM Roswell Field Office. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date well was plugged.</u>

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.