Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137

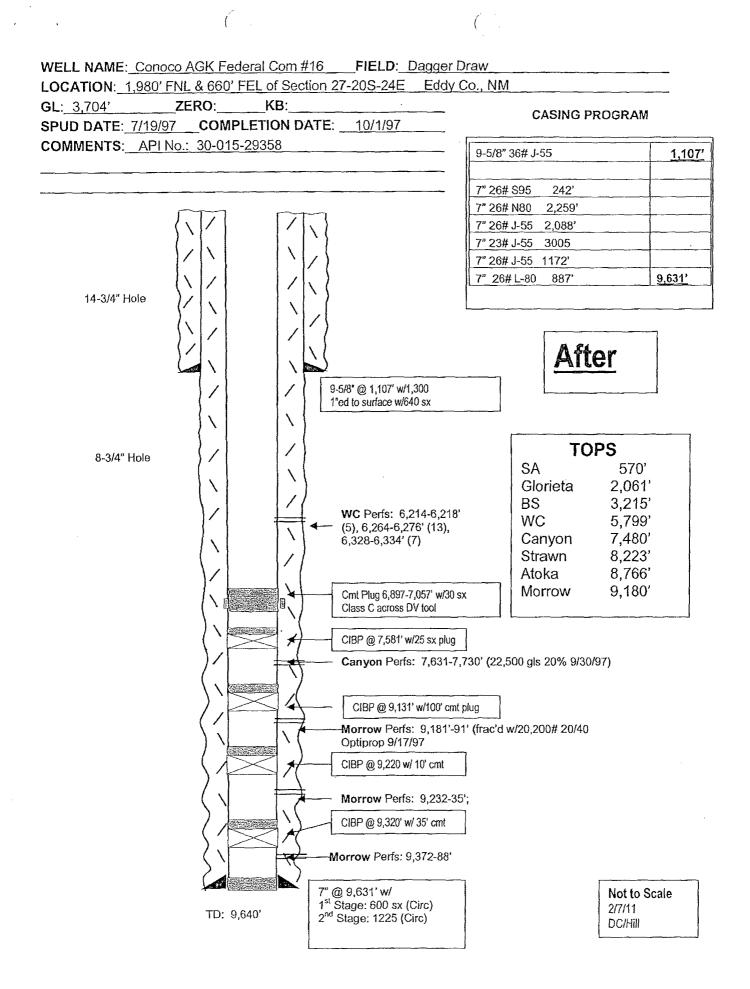
#### SUNDRY NOTICES AND REPORTS ON WELLS

Expires July 31, 2010

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.		5. Lease Serial No. NM-045275
		6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2.		7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well Oil Well  Gas Well Other		8. Well Name and No.
2. Name of Operator		Conoco AGK Federal Com #16
Yates Petroleum Corporation		9. API Well No.
3a. Address 3b	. Phone No. (include area code)	30-015-29358
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)		Cemetary; Wolfcamp
		11. County or Parish, State
1980'FNL & 660'FEL of Section 27-T20S-R24E (Unit H, SENE)		Eddy County, New Mexico
12. CHECK APPROPRIATE BOX(ES) TO IN		
TYPE OF SUBMISSION TYPE OF ACTION		
THE OF SUBMISSION		
Acidize	Deepen Production	n (Start/Resume) Water Shut-Off
X Notice of Intent Alter Casing	Fracture Treat Reclamati	on Well Integrity
		TIED \
Subsequent Report	New Construction Recomple	Other
Change Plans	Plug and Abandon Tempora	rily Abandon
Final Abandonment Notice Convert to Joint to	X Phys Back	1 2 3 0 ° C)
Pinal Moandonment Notice Convert to Injection	ring back water Di	iposar / MAI ATES
Subsequent Report		
Perforate Wolfcamp 6214'-6218' (5), 6264'-6276' (13) and 6328'-6334' (7) for a total of 25 holes. Stimulate as needed.		
		APPROVED
Accepted for record - NMOOSEE ATTACHED FOR  DA - 5-31-11 CONDITIONS OF APPROVAL  MAY 16 2011		
14. Thereby certify that the foregoing is true and correct		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
Name (Printed/Typed)		
Tina Huerta	Title Regulatory Comp	liance Supervisor
Signature ( Vina) Luerta	Date March 22, 2011	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does r		Date
certify that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon.		

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



# Yates Petroleum Corp. Conditions of Approval

NM-045275: Conoco AGK Fed Com #16 API: 30-015-29358 Eddy County, New Mexico

Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging back operations. Eddy County, call 575-361-2822.

- 1. Surface disturbance beyond the existing pad must have prior approval.
- 2. Closed loop system required.

**2000 (2M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

- 3. Plug 1 OK WOC and tag no shallower than 9000'
- 4. Plug 2 OK WOC and tag no shallower than 7545'
- 5. Plug 3 OK DV tool WOC and tag no shallower than 6887'
- 6. Subsequent sundry with well test and wellbore schematic required.
- 7. Operator to begin plugging back and recompletion procedures within 90 days of receiving this approval.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

<u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

**EGF 051611** 

## NEW MEXICO OIL CONSERVATION DIVISION DISTRICT 2 OFFICE 1301 W. GRAND AVENUE ARTESIA, NM 88210 (575)748-1283

### CONDITIONS OF APPROVAL

Yates Petroleum Corporation Conoco AGK Fed. Com #16 30-015-29358

1. Trucking companies being used to haul oilfield waste, including cement, cuttings, drilling mud, and produced water to disposal facilities — commercial or private- shall have an approved NMOCD C-133 Permit. A copy of this permit shall be available in each truck used to transport waste products. It is the responsibility of the operator as well as the contractor to verify that this permit is in place. Drivers shall make permit available upon request of an OCD inspector. It is the responsibility of the operator to see to it that waste from their wells is being disposed of in a proper manner.

DG 5/31/2011