

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division

811 S. 1st Street

Artesia, NM 88210-2834

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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 reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Yates Petroleum Corporation

3a. Address

105 S. 4th St. - 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 & 1980' FWL of Section 15-T9S-R25E (Unit K, NESW)

5. Lease Serial No.

NM-16073

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Sarah UM Federal #1

9. API Well No.

30-005-61665

10. Field and Pool, or Exploratory Area

Pecos Slope Abo

11. County or Parish, State

Chaves Co., NM

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 checked="" type="checkbox"/> Other Squeeze &
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	re-perforate
	<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 recompleat 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 recompleat 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.)

Propose to squeeze existing perforations 4000-4095' (Abo) and re-perforate Abo formation as follows:

1. Load tubing with 7% KCL water. Nipple down wellhead and nipple up BOP. Release packer that is set at 3950'. TOOH with tubing and packer.
2. TIH with bit and scraper to PBTD of 4295'. Circulate hole clean. TOOH with tubing, scraper and bit.
3. TIH with retainer and set retainer at 3975'±. Squeeze perforations 4000-4095' (Abo) with 200 sacks of cement. Additional cement will be used if necessary to obtain a good squeeze. Circulate hole clean. Pressure test squeeze to 1500 psi. WOC 24 hours.
4. TIH with bit, drill collars and tubing and drill out retainer at 3975' and squeeze cement. TIH with bit to PBTD. Circulate hole clean. Pressure test squeeze to 500 psi. TOOH with tubing, drill collars and bit.
5. Perforate 3749-4143' (Abo), acidize & frac as necessary for production.

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

CONTINUED ON NEXT PAGE:

Rusty Klein

Title Operations Technician

Signature

Date January 19, 2000

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) DAVID R. GLASS

PETROLEUM ENGINEER

Date JAN 30 2001

not warrant or
subject lease

Office

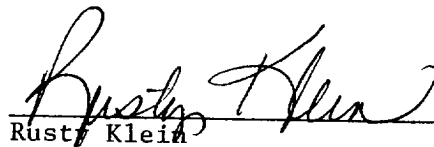
- = 60-Day Letter Was Received On 12-13-2000.
- = Work Must Commence Within 60 Days After
- = Date Of Receipt (02-12-2001).

ne for any person knowingly and willfully to make to any department or agency of the United
matter within its jurisdiction.

YATES PETROLEUM CORPORATION
Sarah UM Federal #1
Section 15-T9S-R25E
Chaves County, New Mexico

SUNDRY NOTICE CONTINUED:

6. Flow well back for cleanup.
7. Flow test.
8. Place well into production.

A handwritten signature in cursive script, appearing to read "Rusty Klein", is written over a horizontal line.

Rusty Klein
Operations Technician
January 19, 2001

cc: Tim Miller > another 60 day letter -
Pinson Mc. What do you recommend.

Thanks
B



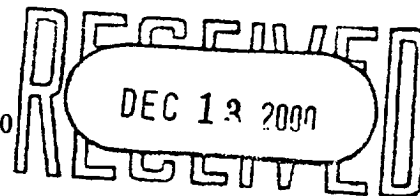
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201-1287

IN REPLY REFER TO:
SCR-381
3105.2 (06300)

December 12, 2000



CERTIFIED-RETURN RECEIPT REQUESTED
7099 3220 0004 0011 3818

Yates Petroleum Corporation
105 South Fourth Street
Artesia, N.M. 88210

Gentlemen:

A review of our files concerning your Well No. 1-Sarah UM Federal Com., Federal Lease NM-16073, Communitization Agreement (CA) SCR-381, NE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 15, T. 9 S., R. 25 E., Chaves County, New Mexico, shows that the well has been shut-in since being completed as a Abo gas well on September 22, 1982. This CA, which includes lease NM-17203, became effective October 14, 1982 for two years and so long as communitized substances are or can be produced in paying quantities. Under 43 CFR 3107.2-3 such production shall be continued unless and until suspended by the State Director, or it will expire effective the date of receipt of this letter.

Under 43 CFR 3107.2-2, you are allowed 60 days from receipt of this letter within which to commence reworking or drilling operations on the CA. The CA will remain in full force and effect if approved operations are commenced within the 60-day period and are continued with reasonable diligence until the well is placed on continuous production.

If you believe that the CA is capable of production in paying quantities, you must place the well on continuous production within 60 days of receipt of this letter to this office. If you have any further questions regarding this letter, please contact David Glass of this office at phone (505) 627-0275.

If a reworking or drilling operation proposal is not submitted or the well is not placed on continuous production within 60 days of receipt of this letter, the CA will automatically terminate. A Notice of Intention to Abandon (NIA) must be filed within 90 days of receipt of this letter. Leases NM-16073 and NM-17203 committed to the CA will be eligible for an extension under 43 CFR 3107.4.

The aforementioned information is furnished so you may take such action as you consider appropriate. You are further reminded that no production tests or other operations should be conducted on the CA without prior approval of this office.

Sincerely,

Larry D. Bray

Larry D. Bray
Assistant Field Office Manager,
Lands and Minerals

