

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-28994
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Shipp ZI
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat Lovington Upper Penn Northeast

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3786.5' GR
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Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type <u>Steel</u> Depth to Groundwater <u>85' (10)</u> Distance from nearest fresh water well <u>N/A (0)</u> Distance from nearest surface water <u>N/A (0)</u>
Pit Liner Thickness: <u>N/A</u> mil Below-Grade Tank: Volume <u>N/A</u> bbls; Construction Material <u>N/A</u>

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 ☒ Gas Well ☐ Other

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter D : 660 feet from the North line and 1100 feet from the West line
Section 27 Township 16S Range 37E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3786.5' GR

Pit or Below-grade Tank Application ☐ or Closure ☐
Pit type Steel Depth to Groundwater 85' (10) Distance from nearest fresh water well N/A (0) Distance from nearest surface water N/A (0)
Pit Liner Thickness: N/A mil Below-Grade Tank: Volume N/A bbls; Construction Material N/A

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P & A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Propose to P&A as follows:

- 1) MIRU pulling unit and safety equipment as necessary.
- 2) Set CIBP @ 11411' and dump 35' cement on plug 12.5
- 3) RIH w/tubing and circulate hole w/plugging mud (25 sx gel per 100 bbls).
- 4) PUH to $\pm 10064'$ and spot 25 sx Class H to isolate Wolfcamp.
- 5) Perforate casing @ 9800'; RIH w/packer and tubing to 9650' and test to 1000# and pump 25 sx Class H in and out of casing to isolate cement top. Tag plug.
- 6) Perforate casing @ 6200'. RIH w/packer and tubing to 6050' and test to 1000# and pump 50 sx Class C in and out of casing to isolate Glorieta top.
- 7) Perforate casing @ 4369'. RIH w/tubing and packer to 4200' and test to 1000#. If test could not be achieved, pump 100' plug (40 sx Class C w/2% CaCl₂) inside casing. WOC 2 hrs; tag plug @ 4269' or less. If test was achieved, pump 100' plug (25 sx Class C w/2% CaCl₂) inside casing. This will cover the 8-5/8" intermediate casing shoe. WOC 2 hrs; tag plug @ 4269' or less.

Continued.....

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 10-6-04

Type or print name Stormi Davis E-mail address: stormid@ypcnm.com Telephone No. 505-748-1471

For State Use Only
APPROVED BY: Larry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE OCT 14 2004

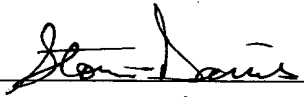
Conditions of Approval (if any)

Yates Petroleum Corporation
Shipp ZI 2
Sec 27-T16S-R37E
-2-

- 8) Perforate casing @ 2150'. RIH w/tubing and packer to 2000' and test to 1000#.#. If test could not be achieved, pump 100' plug (40 sx Class C) in and out of casing. If test was achieved, pump 100' plug (25 sx Class C) inside casing. This will isolate the top of the salt. Tag plug.
- 9) Perforate casing @ 505'. RIH w/tubing and packer and test to 1000#. If test could not be achieved, pump 100' plug (40 sx Class C w/2% CaCl₂) in and out of casing. WOC 2 hrs; tag plug @ 405' or less. If test was achieved, pump 100' plug (25 sx Class C w/2% CaCl₂) inside casing. This will cover the 13-3/8" surface casing shoe. WOC 2 hrs; tag plug @ 405' or less.
- 10) Perforate casing @ 60'. Screw in 5-1/2" casing swedge and circulate cement up thru 8-5/8" casing. Tag.
- 11) Install dry-hole marker and clean location as per regulations.

(Schematic Attached)

Note: Yates will use steel pits and no earth pits.



Date: 10-6-04

WELL NAME: Shipp ZI No. 2 FIELD: N.E. Lovington Penn
LOCATION: 660' FNL & 1100' FWL Sec 27-16S-37E Lea County NM
GL: 3,786.5' ZERO: KB: 3,803.5'
SPUD DATE: 11/17/84 COMPLETION DATE: 1/14/85
COMMENTS: API #: 30-025-28994

CASING PROGRAM	
13-3/8" 54.5# J55 ST&C	455'
8-5/8" 32# J55 ST&C	4,300'
5.5" 17# & 20# N80 LT&C	11,862'

Formation Tops	
Yates	3256'
San Andres	4968'
Glorieta	6151'
Tubb	7755'
Drinkard	7970'
Abo	8300'
Wolfcamp Lime	10114'
Cisco	10466'
Strawn	11226'
Atoka	11634'

