

NMOCD
 UNITED STATES
 DEPARTMENT OF THE INTERIOR **Hobbs**
 BUREAU OF LAND MANAGEMENT

FORM APPROVED
 OMB NO. 1004-0135
 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. **NMNM17114**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **DOUBLE L QUEEN 6** ✓

9. API Well No. **30-005-20379-00-S1**

10. Field and Pool, or Exploratory **DOUBLE L-QUEEN (ASSOCIATED)**

11. County or Parish, and State **CHAVES COUNTY, NM**

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

JUN 20 2016
 RECEIVED

1. Type of Well
 Oil Well Gas Well Other *Canyon*

2. Name of Operator **YATES PETROLEUM CORPORATION**
 Contact: **TINA HUERTA**
 E-Mail: **tinah@yatespetroleum.com**

3a. Address **105 SOUTH FOURTH STREET
 ARTESIA, NM 88210**

3b. Phone No. (include area code)
 Ph: **575-748-4168**
 Fx: **575-748-4585**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**Sec 18 T15S R30E NWNW Tract 1 330FNL 330FWL
 33.022388 N Lat, 103.972068 W Lon**

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/Re) |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Change Plans | <input checked="" type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Aband |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal |

INT TO PA *Am. ✓*
P&A NR _____
P&A R _____

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.)

Re: Notice of Written order #16RH17W

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

1. MIRU all safety equipment as needed.
2. Set a CIBP at 1980 ft, dump 35 ft Class C cement on top. This will cover top of the Queen sand.
3. Perforate at 430 ft. Spot a 30 sx Class C cement plug from 330 ft - 430 ft. This will cover the 8-5/8 inch casing shoe inside and outside casing. *-WOC & Tag*
4. Perforate at 60 ft. Spot a 25 sx Class C cement plug from 60 ft up to surface inside and outside casing.
5. Cut off wellhead. If needed backfill between 5-1/2 inch and 8-5/8 inch casing.
6. Install dry hole marker and clean location.

FOR RECORD ONLY
 MW/OCJ 6/20/2016

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

**Electronic Submission #341968 verified by the BLM Well Information System
 For CANYON E&P COMPANY, sent to the Roswell
 Committed to AFMSS for processing by DAVID GLASS on 06/14/2016 (16DRG0283SE)**

| | |
|---|---------------------------------------|
| Name (Printed/Typed) TINA HUERTA | Title REG REPORTING SUPERVISOR |
| Signature (Electronic Submission) | Date 06/14/2016 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|---------------------------------|------------------------|
| Approved By <u>DAVID R GLASS</u> | Title PETROLEUM ENGINEER | Date 06/14/2016 |
| 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. | | |
| Office Roswell | | |

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

APPROVED FOR 3 MONTH PERIOD
 ENDING SEP 14 2016

SEE ATTACHED FOR
 CONDITIONS OF APPROVAL

Additional data for EC transaction #341968 that would not fit on the form

32. Additional remarks, continued

Wellbore schematics attached. (YPC is lessee of record)

WELL NAME: Double L Queen #6 FIELD: _____

LOCATION: 330' FNL & 330' FEL Sec. 18-15S-30E Chaves Co., NM

GL: 3,941' ZERO: _____ KB: _____

SPUD DATE: 05-09-1971 COMPLETION DATE: 06-03-1971

COMMENTS: API# 30-005-20379

CASING PROGRAM

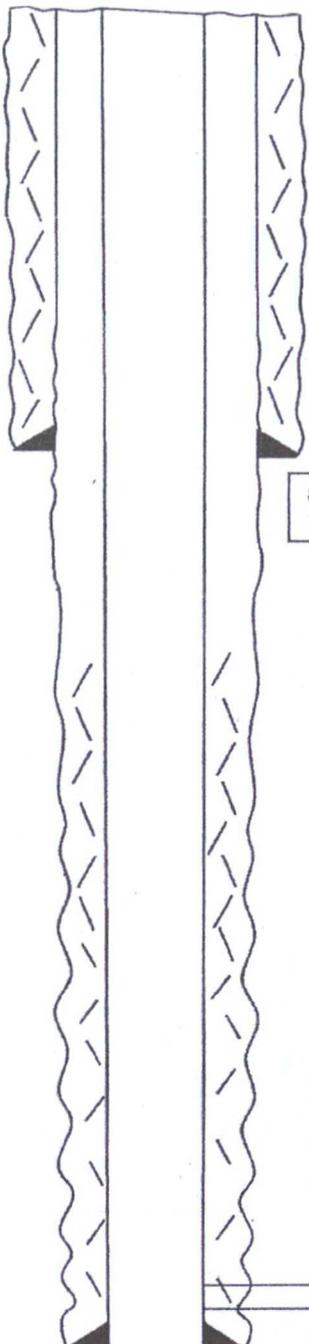
| | |
|-----------------|-------|
| 8-5/8" 20# J-55 | 380' |
| 5-1/2" 15# J-55 | 2028' |

Before

| | |
|--------------|-------|
| Rustler | 315' |
| Yates | 1270' |
| Seven Rivers | 1800' |
| Queen | 1995' |

10" Hole

8" Hole



8-5/8" 20# J-55 @ 380'. Cemented w/ 150sx. Circulated.

Queen Perfs @ 1996' - 2008'.

TD : 2,029'
PBD: 2,025'

5-1/2" 15# J-55 @ 2028'. Cemented w/ 150sx.

Not to Scale
6/10/2016
SAA

WELL NAME: Double L Queen #6 FIELD: _____

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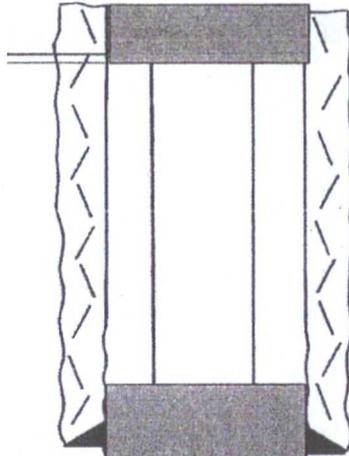
COMMENTS: API# 30-005-20379

CASING PROGRAM

| | |
|-----------------|-------|
| 8-5/8" 20# J-55 | 380' |
| 5-1/2" 15# J-55 | 2028' |

Perfs @ 60'. 60" (25sx)
class "C" cement plug from
60' to surface inside and
outside the casing.

10" Hole



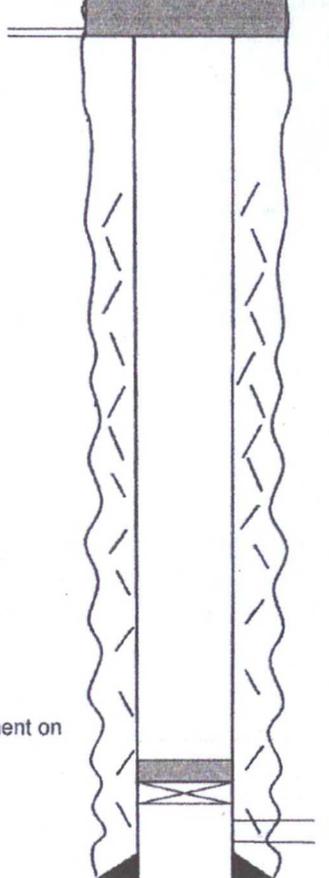
After

| | |
|--------------|-------|
| Rustler | 315' |
| Yates | 1270' |
| Seven Rivers | 1800' |
| Queen | 1995' |

Perfs @ 430'. 100' (30sx)
class "C" cement plug from
330' - 430' covering the 8-
5/8" casing shoe inside and
outside the casing.

8-5/8" 20# J-55 @ 380'. Cemented w/
150sx. Circulated.

8" Hole



CIBP @ 1980' w/ 35' of cement on
top covering the Queen.

Queen Perfs @ 1996'-2008'.

TD : 2,029'
PBTD: 2,025'

5-1/2" 15# J-55 @ 2028. Cemented w/ 150sx.

Not to Scale
6/10/2016
SAA

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 (RFO), 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. Unless the well has been properly plugged, the rig shall not be removed from over the hole without prior approval.**

2. Notification: 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 or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.

3. Blowout Preventers: 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. Mud Requirement: 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. Cement Requirement: 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. Monument: Upon abandonment of the well, 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 covered with a metal plate at least ¼ inch thick and welded in place. 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, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).

7. Timing Limitation Lease Stipulation / Condition of Approval For Lesser Prairie-Chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1 through June 15 annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D seismic operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

8. Subsequent Plugging Reporting: 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. **Show date well was plugged.**

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.