

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. 30-025-26766
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. V-3959
7. Lease Name or Unit Agreement Name Quay AQU State
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Cruz, Delaware, Northeast

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. 4 th Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>C</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>10</u> Township <u>23S</u> Range <u>33E</u> NMPM Lea County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3590.6' GR	
Pit or Below-grade Tank Application ☐ or Closure ☐	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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 AND 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.

1-3-07 MIRU WSU. RU safety equipment. TOH w/2-7/8" tubing.

1-4-07 Set CIBP @ 5100'. Circulated w/plugging mud. Spotted 35 sx cement. WOC. Tagged @ 4880'.

1-5-07 RIH w/tubing to 856' and spotted 25 sx. WOC. Tagged @ 725'. POOH. RIH TO 60'. Circulated 15 sx to surface. Installed dry-hole marker and cleaned location.

Left out Top of anhydrite plug @ 1200'
 WELL IS PLUGGED AND ABANDONED. FINAL REPORT.

Approved as to plugging of the Well Bore.
 Liability under bond is retained until

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 NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Stormi Davis TITLE Regulatory Compliance Technician DATE 1-10-07

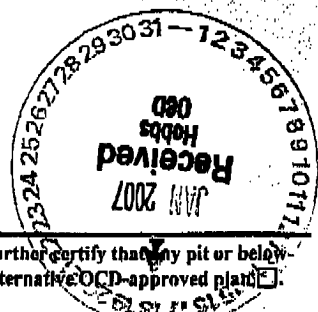
Type or print name Stormi Davis E-mail address: _____ Telephone No. 505-748-1471

For State Use Only QC DISTRICT SUPERVISOR/GENERAL MANAGER

APPROVED BY: Chris Williams TITLE _____ DATE JAN 22 2007

Conditions of Approval (if any):

Surface plug will suffice as top of anhydrite plug. CW 1/25/07



MAYO MARRS CASING PULLING INC.

Yates Petroleum Corp
 Lease: QUAY AQU STATE # 1
 Project: P & A
 ATTN: DARRELL ATKINS

FAX 505-748-4585
 PUSHER - Aurora
 BID = \$0.00
 Tracking# 06-5488-2

1/3/2007 10 HRS

SUPERVISOR LOCATE WELL - MI RU - NO WELL HEAD - NU BOP - HAD TO WORK TAG FOR ABOUT 2 HRS - WORKED FREE - POOH WITH 160 JTS OF TUBING - SDFN

10	Double derrick rig with 4 man work crew/hr		
1	PUSHER /DAY	\$265.00	\$2,650.00
2.5	CREW TRAVEL TIME	\$300.00	\$300.00
1	Water truck priced per load FRESH (Stays on location @ all times)	\$150.00	\$375.00
1	Water truck priced per load BRINE (Stays on location)	\$300.00	\$300.00
1	Pump Truck 5 Day Initial Charge	\$500.00	\$500.00
1	Steel Pits per well	\$2,500.00	\$2,500.00
1	B O P for 2 3/8" and 2 7/8" 5 Day Initial Charge	\$750.00	\$750.00
		\$200.00	\$200.00

Total Daily Cost = \$7,575.00

1/4/2007 11 HRS

SAFETY MEETING - RU WIRELINE - RIH WITH 7 5/8" CIBP AND SET @ 5100' - POOH - RIH WITH TUBING - CIRCULATE PLUGGING MUD - SPOT 35 SACKS - WOC - RIH AND TAG PER OCD @ 4880' - POOH - SDFD

10.5	Double derrick rig with 4 man work crew/hr		
1	PUSHER /DAY	\$265.00	\$2,782.50
2.5	CREW TRAVEL TIME	\$300.00	\$300.00
35	Cement per sack (CLASS C)	\$150.00	\$375.00
45	Sell gel per sack (50# SACK)	\$13.00	\$455.00
1	Water truck priced per load BRINE (Stays on location)	\$12.00	\$540.00
1	7.5/8" CIBP	\$500.00	\$500.00
		\$2,450.00	\$2,450.00

Total Daily Cost = \$14,877.50

1/5/2007 10 HRS

RIH WITH TUBING TO 858' - SPOT 25 SACKS - WOC - RIH AND TAG @ 725' - POOH - NO BOP - RIH TO 80' - CIRCULATE 15 SACKS TO SURFACE - RIG DOWN UNIT - DIG OUT CELLAR - INSTALL DRY HOLE MARKER - CUT OFF ANCHORS - WILL START MOVING OUT MONDAY MORNING - SDFD

10	Double derrick rig with 4 man work crew/hr		
1	PUSHER /DAY	\$265.00	\$2,650.00
2.5	CREW TRAVEL TIME	\$300.00	\$300.00
40	Cement per sack (CLASS C)	\$150.00	\$375.00
4	WELDER (4 hr minimum)	\$13.00	\$520.00
4	BACKHOE (4 hr minimum)	\$50.00	\$200.00
		\$50.00	\$200.00

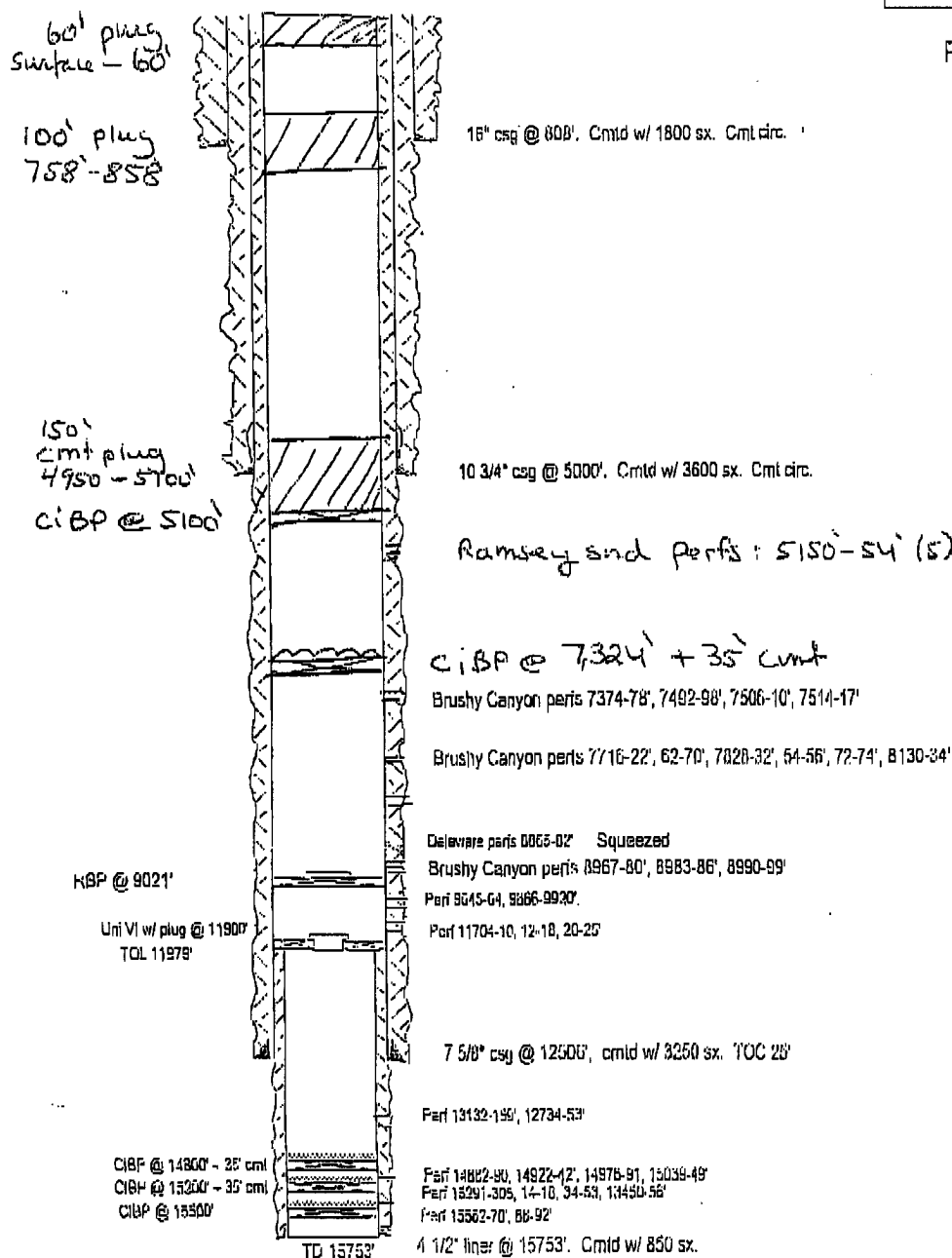
Total Daily Cost = \$19,222.50

Well Name: Quay AQU State #1 Field: Cruz-Delaware Northeast
 Location: 560' FNL & 1980' FWL Sec. 10-23S-33E Lea Co, NM
 GL: 3590.6 Zero: AGL: KB: 3616.1
 Spud Date: Completion Date:
 Comments:

Casing Program	
Size/Wt/Grade/Conn	Depth Set
16" 65#	808'
10 3/4" 45.5#	5000'
7 5/8" 24#	12506'
4 1/2" 15.1# liner	11979-15753'

PROPOSED CONFIGURATION

After



Fm. tops

Delaware: 5110'
 B. Springs: 9002'
 WC: 12372'
 Shallow: 13920'
 Atoka: 14186'
 Morrow: 14840'

SKETCH NOT TO SCALE

DATE: 1/27/06 QUAYIC