New Mexico Off Conservation Makelet I

1625 N. French Drive Hobbs, NM 88240

Form 3169-5 (September 2001)

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0135

BUREAU OF LAND MANAGEMENT				Expires January 31, 2004		
SUNDRY NOTICES AND REPORTS ON WELLS				5. Lease Serial No.		
Do not use this form for proposals to drill or re enter an abandoned well. Use Form 3160-3 (APD) for such proposals.				NM-28179 6. If Indian, Allottee or Tribe Name		
				6. If Indian, Allotte	ee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side				7. If Unit or CA/Agreement, Name and/or No.		
1. Type of Well				8. Well Name and No.		
2. Name of Operator				┤ Fre	dia Federal #1	
Yates Drilling Company				9. API Well No.		
3a. Address	3b. Phone No. (include a	e No. (include area code)		30-005-20978		
105 S. 4th Str., Artesia, NM 88210		505-748-8	505-748-8663		10. Field and Pool, or Exploratory Area	
4. Location of Well (Footage, Sec., T., R., M.				Caprock Queen		
				11. County or Parish, State		
1650' FNL & 1700' FEL Section 3-13S-31E				Chaves Co., NM		
12. CHECK APPROPE	LIATE BOX(ES) TO	indicate natu	re of notice, r	EPORT, OR C	THER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION					
	Acidize	Deepen	Production	(Start/Resume)	Water Shut-Off	
X Notice of Intent		<u> </u>	一	,	Well Integrity	
Notice of Intent	Alter Casing	Fracture Treat	Reclamation			
Subsequent Report	Casing Repair	New Constructi	on Recomplete		Other	
	Change Plans	X Plug and Aband	lon Temporarily	Abandon		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Dispo	osal		
Attach the Bond under which the work will be following completion of the involved operation testing has been completed. Final Abandonn determined that the site is ready for final inspe	s. If the operation results in a r nent Notices shall be filed only a	multiple completion or recom	pletion in a new interval, a For	m 3160-4 shall be file	ed once	
 I hereby certify that the foregoing is true Name (Printed/Typed) 	and correct	·				
Karen J. Leishman		Title (Operations Tech			
Signature Hann J. L.	leshmai	Date	1/25/07			
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
/S/ DAVID B GLASS						
Approved by Conditions of approval, if any, are attached. Approval of this notice does not warrant or			SEE	VGINEER Dat	APR 3 0 2007	
Conditions of approval, if any, are attached	 Approval of this notice do 	es not warrant or	JEE	ALINUIL.	U 1 U 1 L	

CONUITIONS OF AFPROVAL Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willbully 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

Office



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.

Sundry Attachment April 24, 2007 Fredia Federal #1 Section 3-T13S-R31E Chaves County, NM API# 30-005-20978

Surface casing 8 5/8", 24#, J-55, set at 409', 250sxs cement, circulated Production casing 5 ½", 14#, J-55 set at 3,107', 325 sxs cement, TOC 1796' Perforations 3,006'-3,011.5'

- 1. Set CIBP at 2,960', spot cement plug 2,910'-2,960'
- 2. Circulate hole with 10#/gal mud
- 3. Perforate 2 holes at 1,432', try to circulate water
- 4. Set retainer at 1,340' and squeeze cement to surface
- 5. Spot cement plug from 359'-459' across 8 5/8" casing shoe
- 6. Spot cement plug from 0-50'
- 7. Erect dry hole marker, remove all equipment and clean location

BUREAU OF LAND MANAGEMENT

Roswell Field Office 2909 West Second Street Roswell, New Mexico 88201 (505) 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 <u>ninety (90)</u> 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 appropriate BLM office, prior to the 90th day, with the reason for not meeting the deadline and a date when the appropriate BLM can expect the well to be plugged. Failure to do so will result in enforcement action.
- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call (505) 627-0272, in Eddy County call (505) 361-2822; for wells in Lea County call (505) 393-3612.
- 3. <u>Blowout Preventers:</u> 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement:</u> 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. <u>Dry Hole Marker:</u> 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 capped with a 4-inch pipe, 10 feet in length, 4 feet above the ground and embedded in cement. 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, section, township and range or other authorized survey designation acceptable to the authorized officer; such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. 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. <u>Show date well was plugged.</u>

Following the submittal and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval shall be developed and furnished to you.