

New Mexico Oil Conservation Division, District I

1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
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.

NM-81259

6 If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Vest Ranch RE Federal #1

9. API Well No

30-005-21086

10. Field and Pool or Exploratory Area

Undesignated Queen

11. County or Parish, State

Chaves County, New Mexico

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

Yates Petroleum Corporation

3a Address

105 S. 4th Str., Artesia, NM 88210

3b Phone No (include area code)

505-748-1471

4. Location of Well (Footage, Sec., T., R., M., OR Survey Description)

1650'FSL & 1650'FEL of Section 21-T14S-R30E (Unit J, NWSE)

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"/> 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 Abandon
	<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 recomplete 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

1. Rig up safety equipment as needed. No casing recovery will be attempted.
2. Spot a 25 sx Class "C" cement plug from 1961'-2061'. This puts a 100' plug across the top of the Queen. WOC and tag plug.
3. Perforate and spot a 35 sx Class "C" cement plug from 450'-550'. This puts a 100' plug across surface casing shoe, inside and outside casing. WOC and tag plug.
4. Perforate at 60' and circulate 20 sx Class "C" cement plug from 60' up to the surface, inside and outside casing.
5. Remove all surface equipment, weld dry hole marker and clean location as per regulations.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

14 I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Tina Huerta

Title

Regulatory Compliance Supervisor

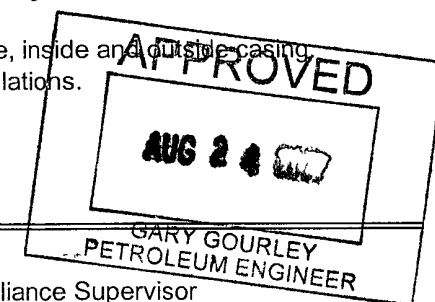
Signature

Tina Huerta

Date

August 22, 2007

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE



APPROVED FOR 3 MONTH PERIOD

11/24/2007

Approved by

Title

Date

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

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.

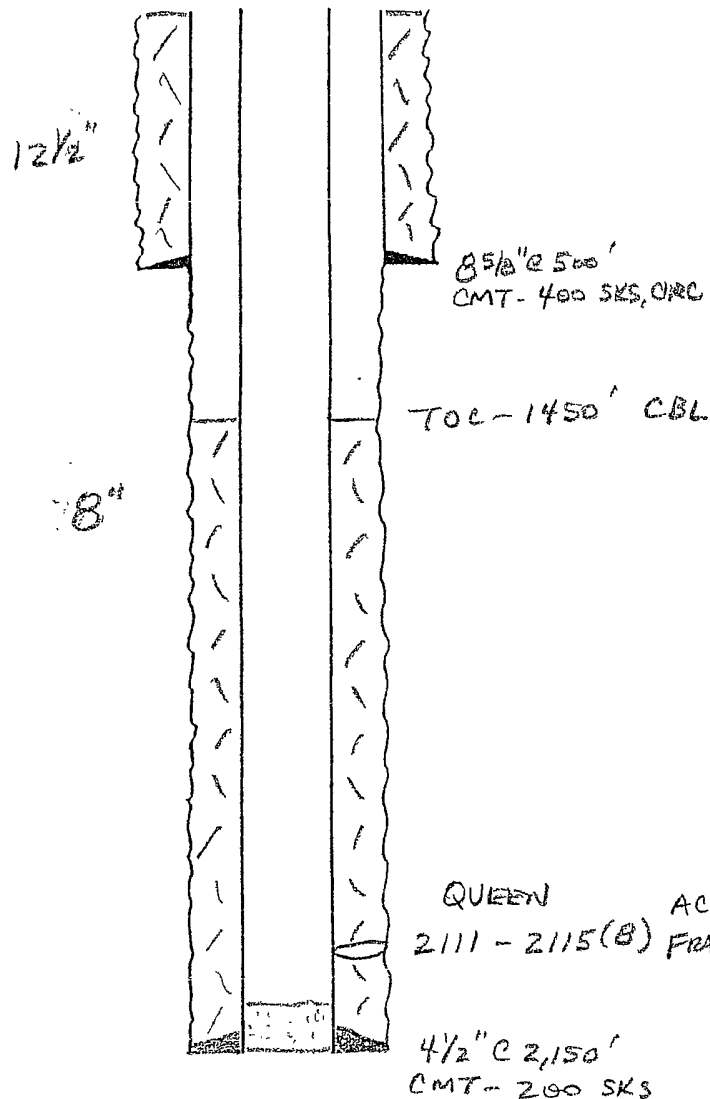
(Instructions on page 2)

GWW

WELL NAME: VEST RANCH RE FEO #1 FIELD AREA: _____
 LOCATION: 1650' FSL & 1650' FEL SEC 21 T14S R30E CHAVES CO, NM
 GL: 3874.6 ZERO: _____' AGL: _____'
 KB: _____' ORIG. DRLG./COMPL. DATE: _____
 COMMENTS: CABLE TOOL

CASING PROGRAM:

SIZE/WT./GR./CONN.	DEPTH SET
8 5/8" 24# J-55	500'
4 1/2" 9.5# J-55	2150'
2 3/8" J-55 TBG C2035'	



BEFORE

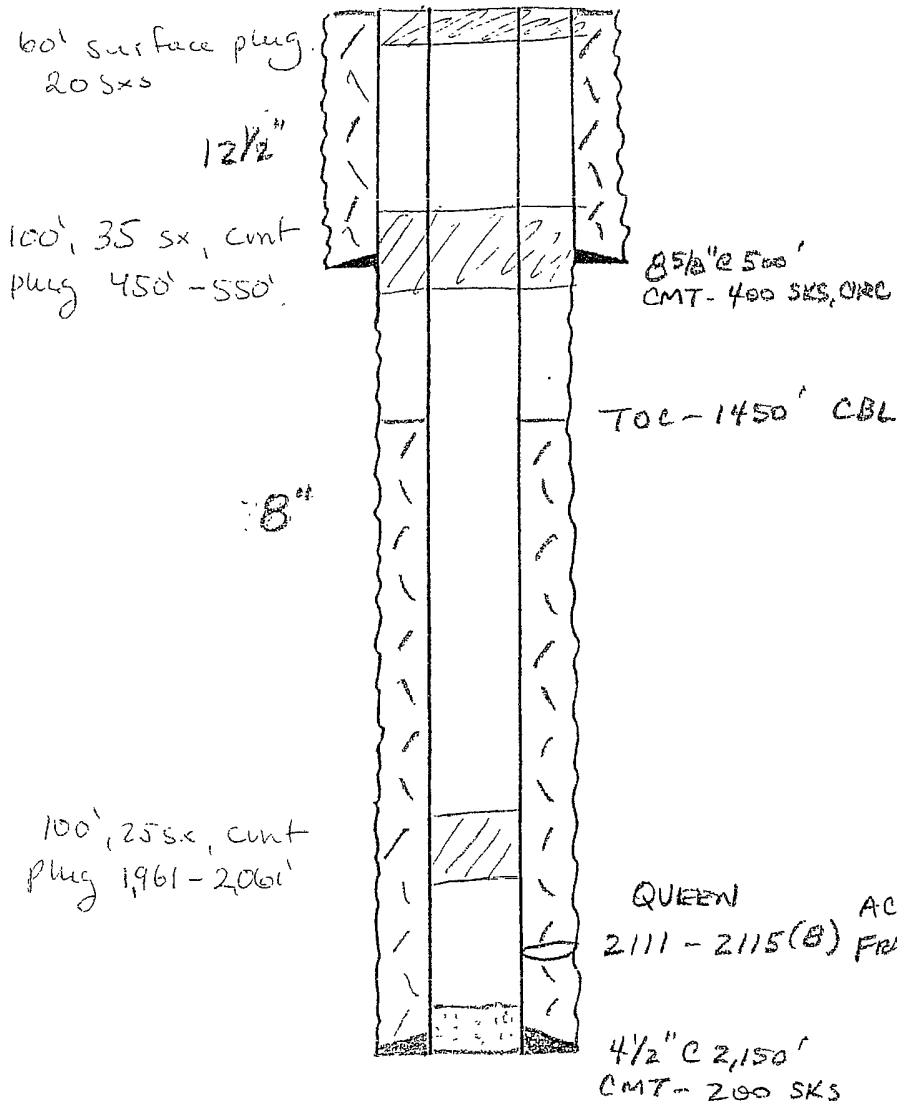
Yates	: 1360
Seven Rivers	: 1495
TOPS QUEEN	: 2109

QUEEN
 2111 - 2115 (8) ACID - 750 GAL 7 1/2% HCL
 FRAC - 20,000 GAL KCL + 30,000 # 20/40
 6 BPM @ 2100 PSI ISIP - 1500 PSI
 4 1/2" C 2150'
 CMT - 200 SKS

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AFTER

Fm tops

Yates · 1360'
 Seven Rivers · 1495'
 Queen · 2109'

ACIA - 750 GAL 7 1/2" HCL
 FRAC - 20,000 GAL KCL + 30,000 # 20/40
 6 BPM @ 2100 PSI ISIP - 1500 PSI

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 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 this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**
2. Notification: 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, Eddy County call 505- 234-5972; for wells in Lea County call 505-393-3612.
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 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the 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 are not final.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either class "C", for up to 7,500 feet of depth, mixed at 14.8 lbs./gal. with 6.3 gallons of fresh water per sack or class "H", for deeper than 7,500 feet plugs, mixed at 16.4 lbs./gal. with 4.3 gallons of fresh water per sack.
6. Dry Hole Marker: 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 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. 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 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. **Show date well was plugged.**
8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

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