

Office

Energy, Minerals and Natural Resources

June 19, 2008

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

RECEIVED

FEB 09 2009

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. 30-025-01868
6. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2500
7. Lease Name or Unit Agreement Name Slick AZU State Com
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Abo (Oil)

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 Corporation3. Address of Operator
105 South Fourth Street, Artesia, NM 882104. Well Location
Unit Letter C : 649 feet from the North line and 1980 feet from the West line
Section 1 Township 13S Range 34E NMPM Lea County1. Elevation: (Show whether DR, RKB, RT, GR, etc.)
4128' GR

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 ☐
 DOWNHOLE COMMINGLE ☐

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.

Yates Petroleum proposes to plug & abandon this well as follows:

1. MIRU plugging equipment. Blow down well.
2. Set CIBP @ 9200' w/35' cement
3. Spot 100' cement plug 6300-6200' - 25xx cut. * Load Hole w/MLF
4. Spot 100' cement plug 4364-4264'. WOC & tag. x Perf. + Squeeze
5. Perforate @ 2000'. Spot 100' cement plug inside & outside casing 2000' to 1900'. WOC & tag.
6. Perforate @ 437'. Spot 100' cement plug inside & outside casing 437-337'. WOC & tag.
7. Perforate @ 60'. Fill casing & annulus w/cement.
8. Cut off wellhead, install dry hole marker & clean location. (Proposed schematic attached.)

The Oil Conservation Division **Must be notified 24 hours prior** to the beginning of plugging operations.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Allison Barton TITLE Regulatory Compliance Technician DATE February 5, 2009Type or print name Allison Barton E-mail address: abarton@ypcnm.com PHONE: (575) 748-4385

For State Use Only

APPROVED BY: Tammy M. Hill TITLE DISTRICT 1 SUPERVISOR DATE MAR 16 2009

Conditions of Approval (if any):

Well Name: Slick AZU State Com No. 1 Field: _____

Location: 648' FNL & 1980' FEL Sec. 1-13S-34E Lea Co, NM

GL: 4128' Zero: _____ AGL: _____ KB: 4148'

Spud Date: 8/10/57 Completion Date: _____

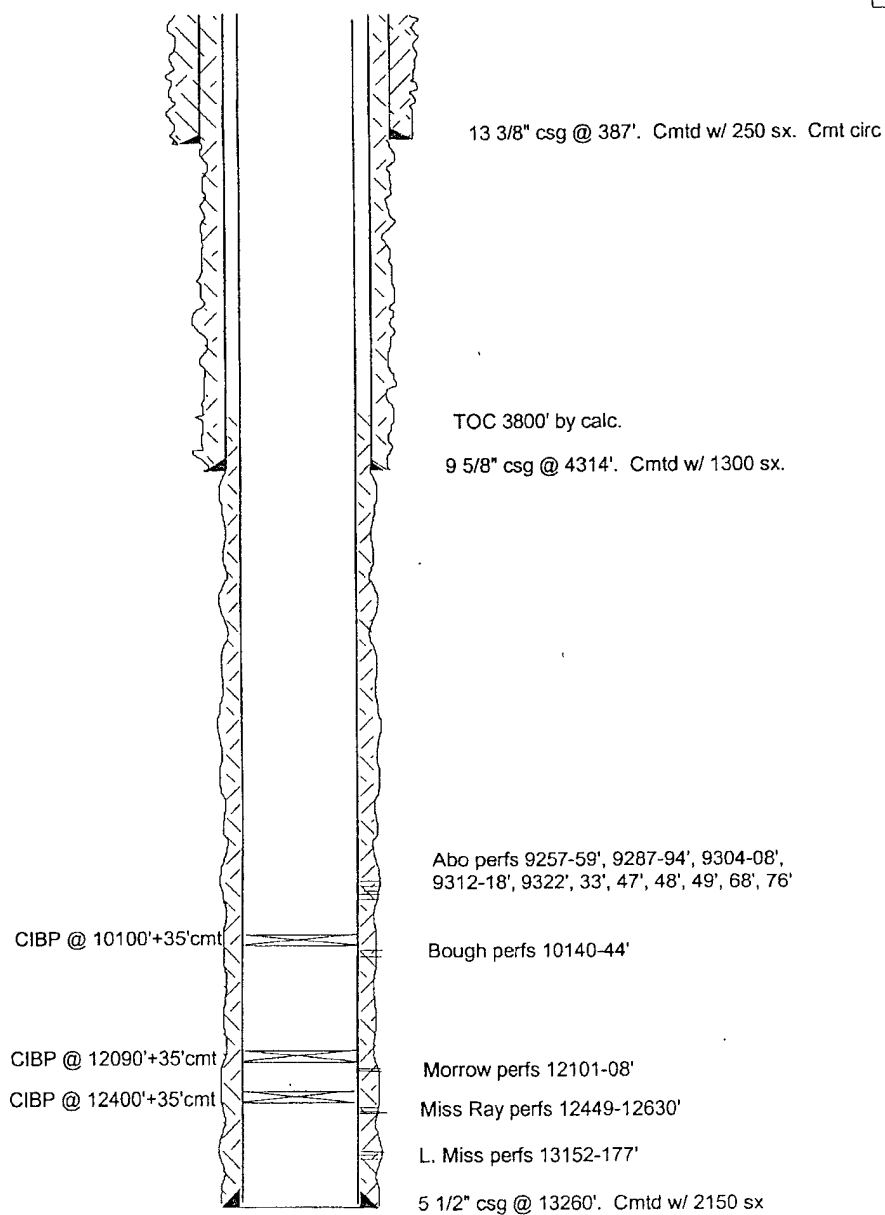
Comments: Originally named State of NM E 1865 #1, drilled by Slick Oil Co

Re-entered by Maralo and cleaned out to 10630'. Deepened by YPC in 2003.

Casing Program

Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# H40	387'
9 5/8" 36 & 40#	4314'
5 1/2" 17# N80 & P110	13260'

CURRENT CONFIGURATION



SKETCH NOT TO SCALE

DATE: 1/6/09 SLICK1B

Well Name: Slick AZU State Com No. 1 Field: _____

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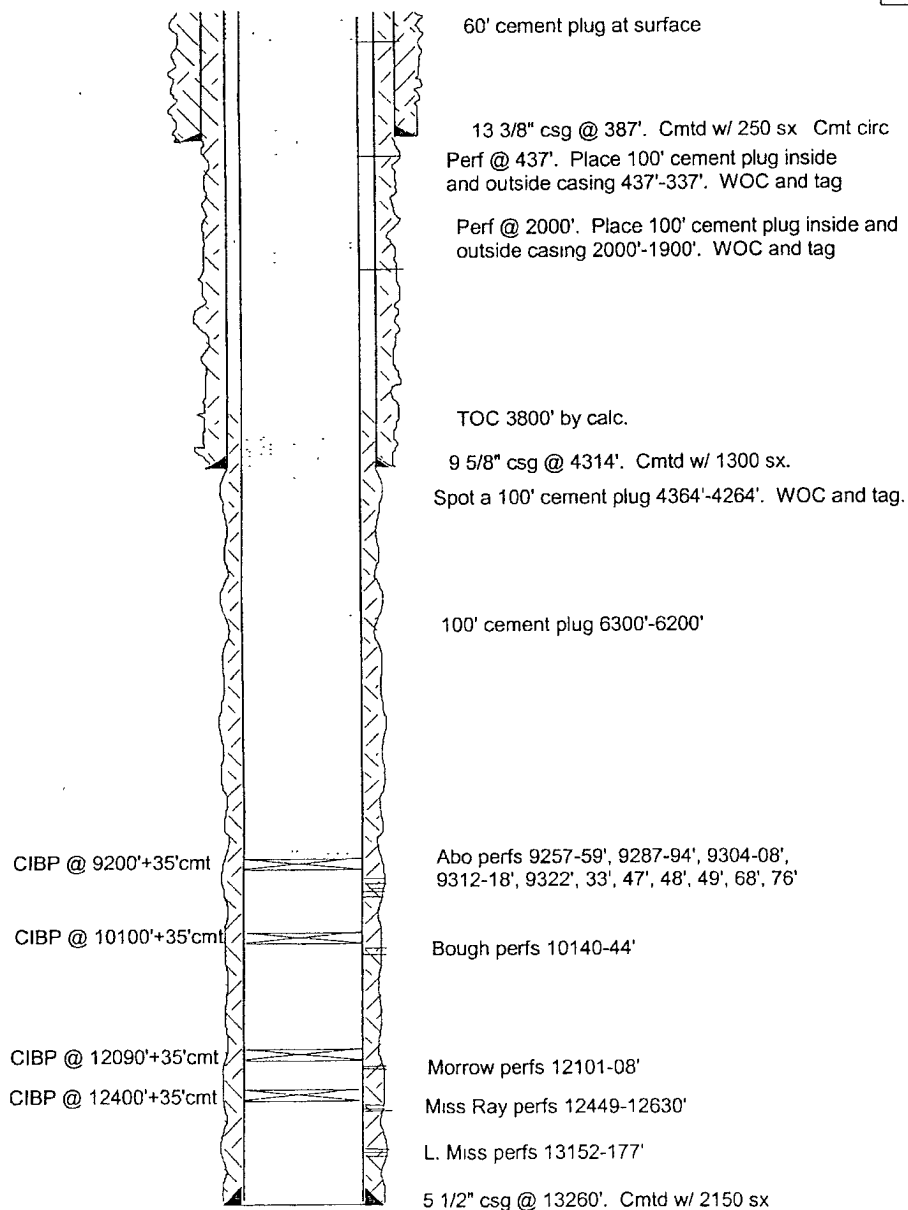
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PROPOSED CONFIGURATION



SKETCH NOT TO SCALE

DATE: 1/6/09 SLICK1C