

October 13, 2009

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-01820

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

V-1611

7. Lease Name or Unit Agreement Name

Lagarto AMZ State

8. Well Number

1

9. OGRID Number

025575

10. Pool name or Wildcat

Sand Springs; Devonian

## 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 South Fourth Street, Artesia NM 88210

4. Well Location

Unit Letter M: 660 feet from the South line and 660 feet from the West line  
Section 1 Township 11S Range 34E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

4139' 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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

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

1. MIRU. Load hole. Release pkr & TOH.
2. Set CIBP @ 13,075' w/35' cement.
3. Circulate hole w/mud. Spot 25 sx cement plug 12,110-12,000'. WOC & tag.
4. Spot 25 sx cement plug 11,628-11,502'. WOC & tag.
5. Perforate @ 8700'. Spot 35 sx cement plug 8700-8600'. WOC - TAG
6. Perforate @ 5600'. Spot 30 sx cement plug 5600-5500'. WOC - TAG
7. Perforate @ 4182'. Spot 30 sx cement plug 4182-4082'. WOC & tag.
8. Perforate @ 2085'. Spot 35 sx cement plug 2085-1985'. WOC - TAG
9. Perforate @ 354'. Circulate cement to surface.
10. Cut off wellhead, install dry hole marker & clean location. (Proposed schematic attached.)

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 3/12/10Type or print name Allison Barton E-mail address: abarton@yatespetroleum.com PHONE: (575) 748-1471

For State Use Only

APPROVED BY: [Signature] TITLE STATE MGR DATE 3-24-10

Conditions of Approval (if any):

Well Name: Lagarto AMZ State No. 1 Field: Sand Springs Atoka

Location: 660' FSL & 660' FWL Sec 1-11S-34E Lea Co, NM

GL: 4139' Zero:        AGL:        KB: Est 4152.2'

Spud Date: 6/1957 Completion Date:       

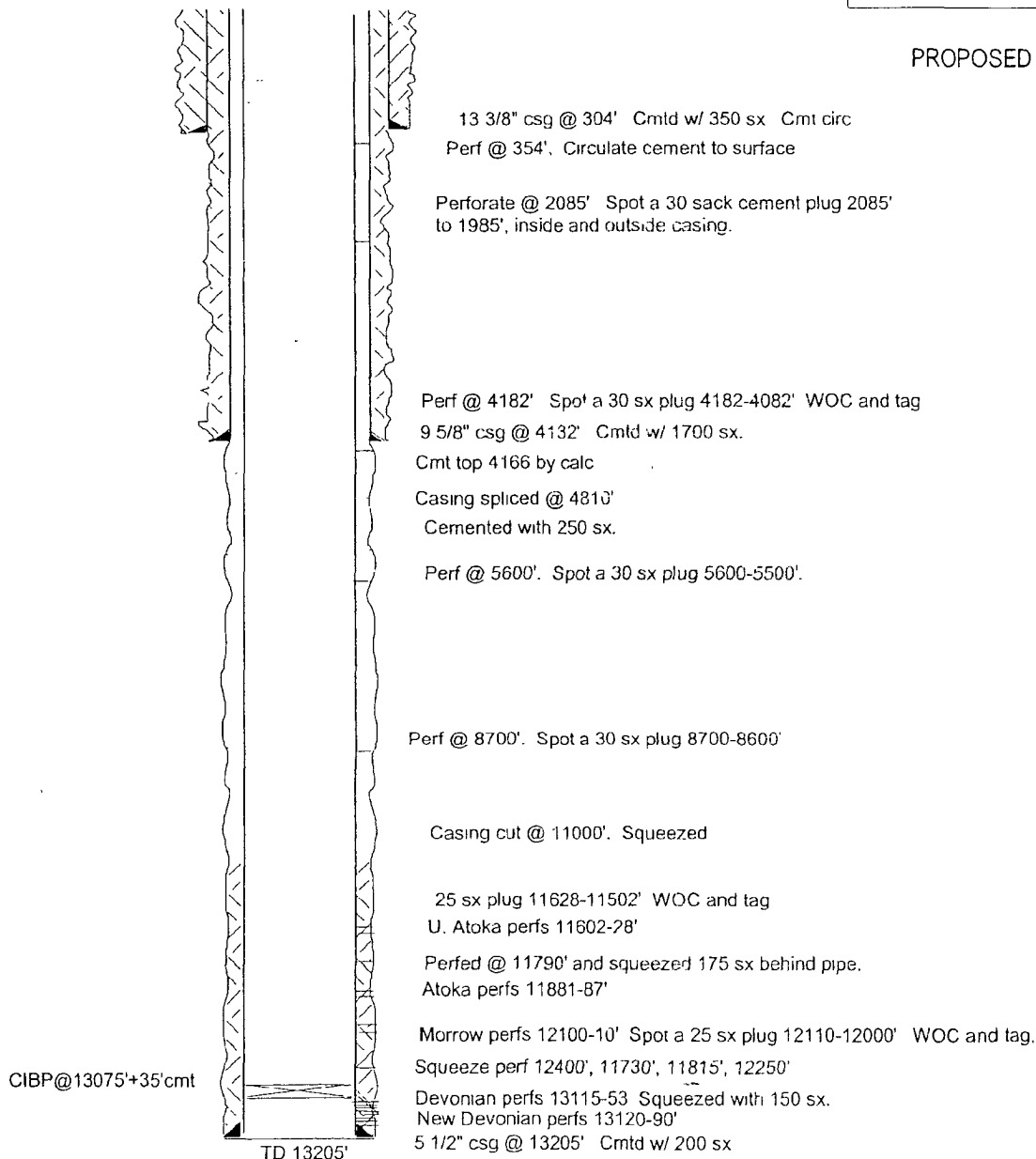
Comments: Sinclair drilled to Devonian and completed. Re-entered by YPC in

7/1990

### Casing Program

Size/Wt/Grade/Conn	Depth Set
13 3/8" 32.75#	304'
9 5/8" 36 & 40#	4132'
5 1/2" 17 & 20#	13205'

### PROPOSED CONFIGURATION



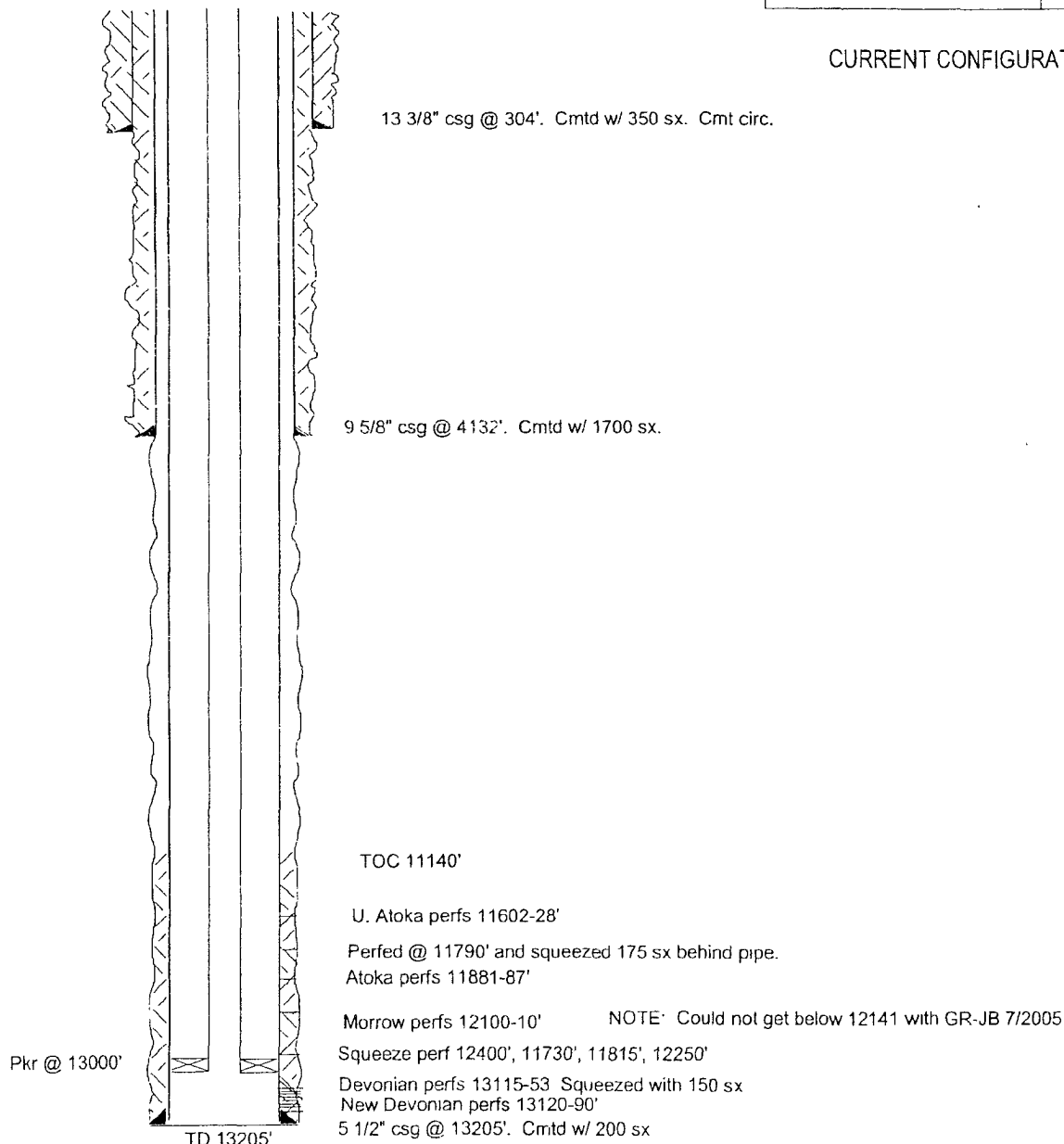
SKETCH NOT TO SCALE

DATE: 1/12/10 LAGRTO1D

Well Name: Lagarto AMZ State No. 1 Field: Sand Springs Atoka  
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Casing Program	
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13 3/8" 32 75#	304'
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# CURRENT CONFIGURATION

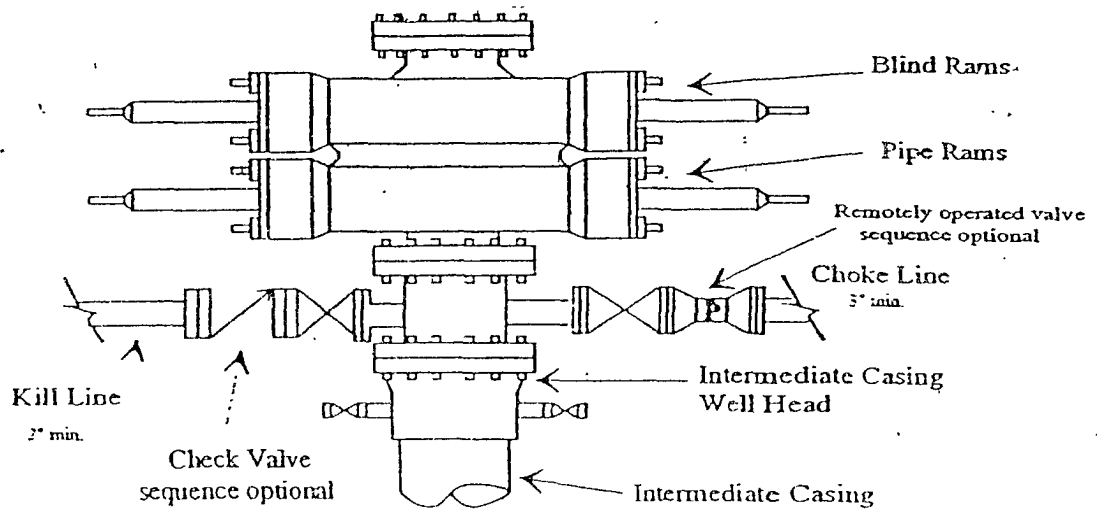


SKETCH NOT TO SCALE

DATE: 1/14/10 LAGRTO1C

# Yates Petroleum Corporation

## Typical 3,000 psi Pressure System Schematic



Typical 3,000 psi choke manifold assembly with at least these minimum features

