

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM  
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

RECEIVED

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JUL 16 2010

JUL 16 2010

HOBBSOCD

HOBBSOCD

WELL API NO. 30-025-31412
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> Fee <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. NM-14329
7. Lease Name or Unit Agreement Name UNION AJS FEDERAL SWD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat SWD; DELAWARE
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 SWD ☒

2. Name of Operator  
Yates Petroleum Corporation

3. Address of Operator  
105 S. 4<sup>th</sup> Street, Artesia, NM 88210

4. Well Location  
Unit Letter J : 1980 feet from the South line and 1980 feet from the East line  
Section 8 Township 21S Range 32E NMPM Lea County

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. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐

OTHER: MIT ☒

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.

Scanlogged tubing, laid down 9 joints tubing, found pin hole on collar, replaced tubing, replaced packer, circulated packer fluid, set packer and tested to 500 psi for 30 minutes. Mechanical Integrity test was conducted on 6/28/2010. Paul Swartz, Toby McDow (Basic) and Joe Chavez (YPC) witnessed test. Original chart attached.

On 7/6/2010, the well was leaking again. Joe Chavez contacted Paul Swartz to let him know and we were advised not to submit sundry until all repairs were completed. 7/7/10 - Rigged up. Pulled and laid down all 3 1/2" ipc tubing. Replaced with 151 joints, 2 7/8" - J-55 ipc tubing. Reset packer @ 4728'. Work completed on 7/8/10.

MIT conducted 7/8/10. Witnessed by Bill (Riverside Trucking), Jerry Rodriguez (YPC) and Jude (ERWS). Original chart attached.

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

SIGNATURE Susan S. Lopez TITLE Regulatory Compliance Tech DATE July 15, 2010

Type or print name Susan S. Lopez E-mail address: susanl@ypcnm.com Telephone No. 575-748-1471

For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 7-20-10

Conditions of Approval (if any):

7m

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 16 2010

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.

HOBBSOCD

5. Lease Serial No

NM-14329

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well

☐

Oil Well

☐

Gas Well

☒

Other SWD

2. Name of Operator

Yates Petroleum Corporation

3a. Address

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

3b. Phone No. (include area code)

575-748-1471

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

Unit J, 1980' FSL, 1980' FEL, Sec. 8 T21S R32E

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

8. Well Name and No.

Union AJS Federal SWD #1

9. API Well No.

30-025-31412

10. Field and Pool or Exploratory Area

Delaware

11. County or Parish, State

Lea County, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

☐

Acidize

☐

Alter Casing

☐

Casing Repair

☐

Change Plans

☐

Convert to Injection

☐

Deepen

☐

Fracture Treat

☐

New Construction

☐

Plug and Abandon

☐

Plug Back

☐

Production (Start/Resume)

☐

Reclamation

☐

Recomplete

☐

Temporarily Abandon

☐

Water Disposal

☐

Water Shut-Off

☐

Well Integrity

☒

Other MIT Test

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.

Scanlogged tubing, laid down 9 joints tubing, found pin hole on collar, replaced tubing, replaced packer, circulated packer fluid, set packer, tested to 500 psi for 30 minutes. Mechanical Integrity test was conducted on 6/28/2010. Paul Swartz, Toby McDow (Basic) and Joe Chavez (YPC) witnessed test. Copy of chart attached.

On 7/6/2010, the well was leaking again. Joe Chavez contacted Paul Swartz to let him know and we were advised not to submit sundry until all repairs were completed. 7/7/10 - Rigged up. Pulled and laid down all 3 1/2" ipc tubing. Replaced with 151 joints, 2 7/8" - J-55 ipc tubing. Reset packer @ 4728'. Work completed on 7/8/10.

MIT conducted 7/8/10. Witnessed by Bill (Riverside Trucking), Jerry Rodriguez (YPC) and Jude (ERWS). Copy of chart attached.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Susan S. Lopez

Title

Regulatory Compliance Tech

Signature

*Susan S. Lopez*

Date

July 15, 2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

*ELG 7-20-10*

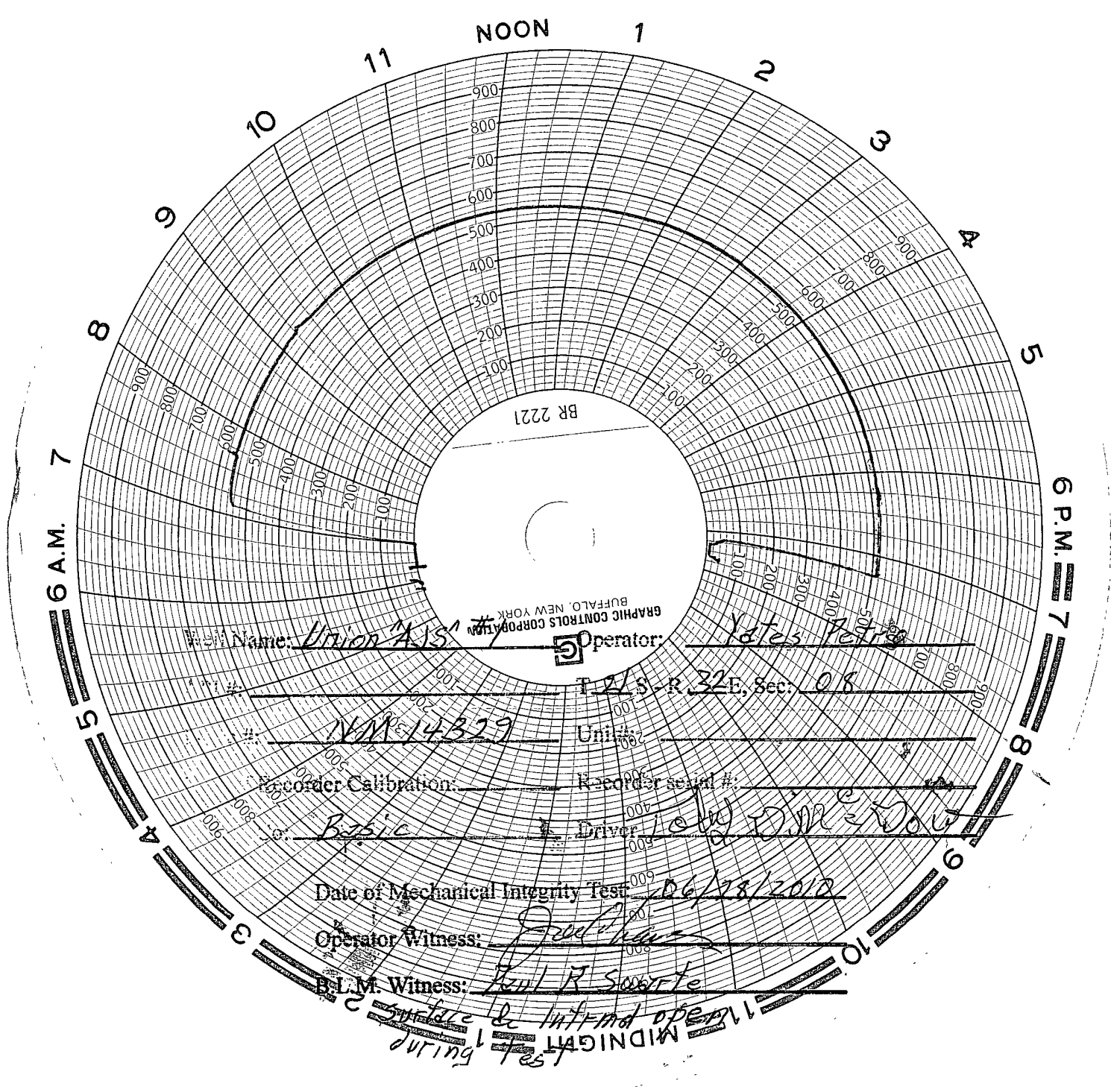
Title

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.



Unit Name: Union "A15" #7 Operator: Yates, Peter

T. 21 S. R E. Sec: 08

Unit #: 14329

Recorder Calibration: Basic Recorder serial #: 1000

Driver: John Doe

Date of Mechanical Integrity Test: 06/28/2010

Operator Witness: Paul R. Swarte

B.L.M. Witness: Paul R. Swarte

Surface & Internal operation during test



GRAPHIC CONTROLS CORPORATION  
BUFFALO, NEW YORK

*Union Als SWD #1*

BR 2221

*7/8/10 10:00 Am - 11:20 Am*

*Witnessed Riverside Trucking - Bill  
Witnessed - Jerry  
Edwards - June*

NOON

11

10

9

8

7

6 A.M.

5

4

3

2

1

MIDNIGHT

1

2

3

4

5

6 P.M.

7

8

9

10

11

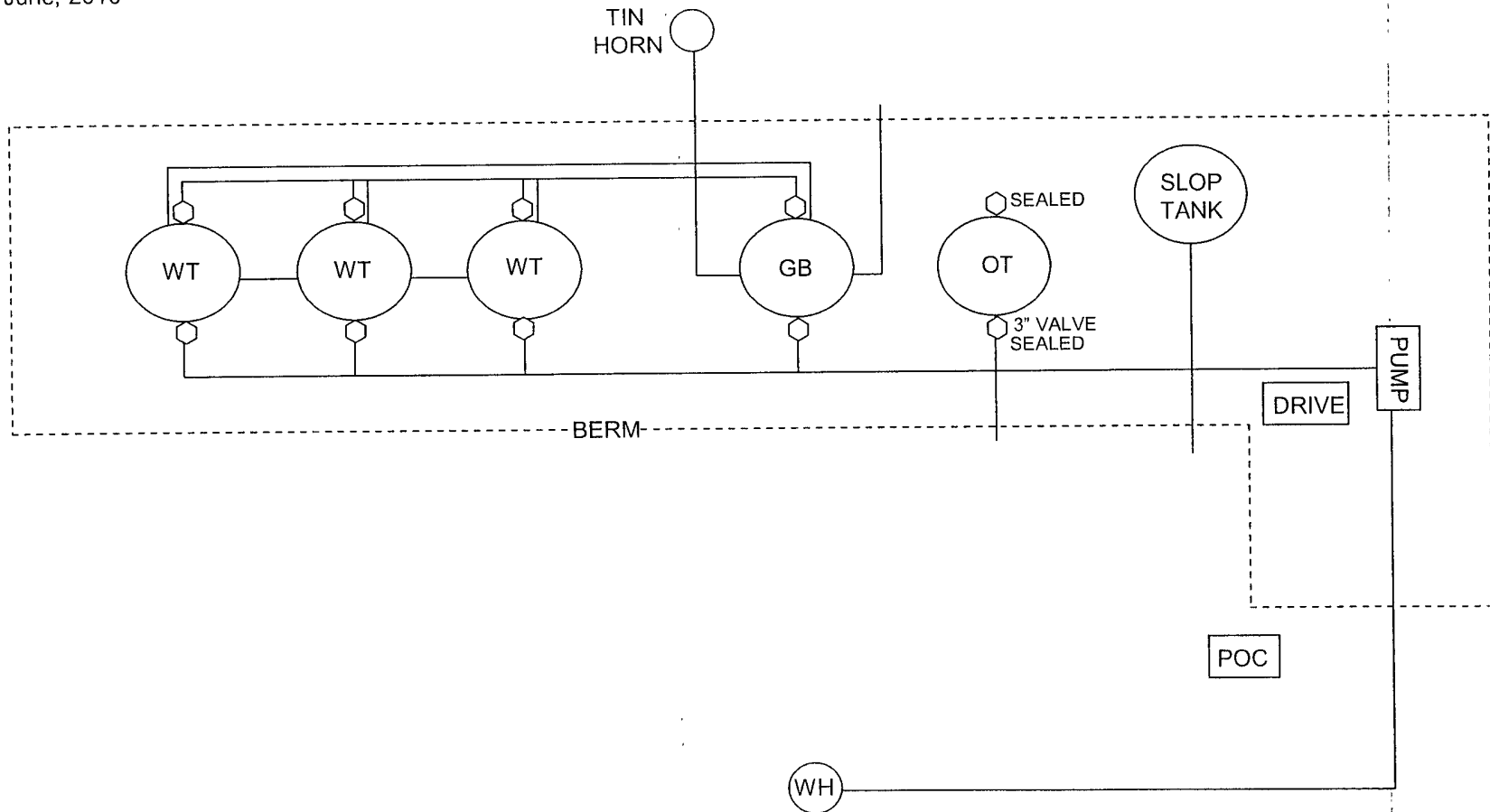


105 South 4<sup>th</sup> Street \* Artesia, NM 88210  
(575)-748-1471

-Joe Chavez  
June, 2010

## UNION AJS SWD

Disposal water from these batteries  
to this SWD  
Lusk AHB  
Belco AIA  
Wolf AIA



This diagram is subject to the Yates Petroleum Corporation August 1983 Security Plan  
which is on file at 105 South 4th Street, Artesia, NM

United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, NM 88220

JUN 09 2010  
PRODUCTION DEPARTMENT  
RECEIVED

**Notice of Written Order(s) of the BLM Authorized Officer**

CERTIFIED, RETURN RECEIPT REQUESTED.  
RE: 70083230000209874472

June 3, 2010

Yates Petroleum Corporation  
105 South 4th Street  
Artesia, New Mexico 88210

Your federal property Lease: NM14329, Well: Union AJS Federal - 001, 3002531412, T21S-R32E, Sec 08, 1980FSL & 1980FEL, Lea County, New Mexico has been the subject of a well/facility status inspection.

Refer to this written order as: 1006PS02W

Enclose an updated facility site security diagram - enter on the diagram or attach a list of the source well(s) served by the facility and indicate (for each well) the product (oil and/or gas and/or water) processed by this facility.

Maintain the casing-tubing annulus valve and an on site visible pressure gauge in the valve. Leave this annulus open to the gauge (detecting any casing, tubing, or packer leak). Correct the cause of any reading on this gauge and submit Sundry Form 3160-005 describing the repair. Subsequent to any necessary repairs, record and report (one time) a casing and tubing pressure reading with the date of reading.

Maintain a tubing pressure access valve and an on site visible pressure gauge in the valve.  
Submit documentation of the maximum tubing injection pressure allowed by NMOCD.

Record casing and tubing pressure readings at least once a week. Report and correct any annular or tubing pressure above the permitted maximum.

Conduct a Mechanical Integrity Test of 500psig for 30 minutes on the injection tb/csg annulus of the well. Prepare the wellhead for a bradenhead test, such that surface and intermediate casing annulus (if applicable) may be opened to the atmosphere. Document the MIT test on no more than a 1,000psig calibrated recorder chart. Notify Paul R. Swartz at 575.234.5985 and/or 575.200.7902 at least 24 hours before the test. If there is no response, notify the BLM on call drilling phone, 575.361.2822.

Submit an original and four copies to this BLM office of:

A subsequent Sundry Form 3160-005 relating the MIT activity. Include MIT chart copies. Reference this Written Order number 1006PS02W in the MIT Sundry text.

Referenced Authority Regulation(s): 43 CFR 3161.2, 43 CFR 3162.1(a), 43 CFR 3162.4-2, 43 CFR 3162.5-1, 2, & 3, 43 CFR 3162.6, 43 CFR 3162.7-5(d), O.O.III.1.1.

For regulation lookup quotes, or to secure necessary BLM forms go to:  
[http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html)

Sign and return this notice, providing a brief summary of your compliance in the space provided. Mail on or before July 3, 2010 to the address below:

Bureau of Land Management  
Carlsbad Field Office , Attn: Paul R. Swartz  
620 East Greene Street  
Carlsbad, New Mexico 88220

Contact information:  
[paul\\_swartz@nm.blm.gov](mailto:paul_swartz@nm.blm.gov)  
575-234-5985 office  
575-234-5927 fax  
575-200-7902 cell



#### **WARNING**

The Authorized Officer has authority to issue a Written Order in accordance with (43 CFR 3163.2). Written Order correction and reporting time frames begin upon receipt of this Notice or 7 business dates after the date it is mailed, whichever is earlier. Each condition, within the text of this Notice, of concern must be corrected within the prescribed time from receipt of the Notice and reported to the Bureau of Land Management office at the address shown above. All self-certified statements of compliance must be postmarked no later than the next business day after the prescribed day for resolution. If you do not comply as noted, you shall be issued an Incident of Noncompliance (INC) in accordance with 43 CFR 3163.1(a). Failure to comply with the INC may result in assessments as outlined in 43 CFR 3163.1 and may also incur civil penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time frame for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

#### **REVIEW AND APPEAL RIGHTS**

Under provisions of 43 CFR 3165.3, you may request an Administrative Review of the decision described above, before the State Director. Such request, including supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State

Site Security Diagram enclosed  
Well had pressure on Csg. Rigged up and  
Repaired well 6-28-10 Changed packer  
Tested held good.  
Sent Chart in

