

Office
District I
1625 N. French Dr., Hobbs, NM 88340
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

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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

JUL 22 2010

HOBBSOCD

WELL API NO.
30-025-01820

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & 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

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NMOCD ARTESIA

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.

6/22/10 – NU BOP. Released packer and POOH with tubing.

6/23/10 – Tagged up on cut casing at 11,000'. Worked gauge ring through bad spot. Picked up 5-1/2" 10K Alpha CIBP. RIH – did not tag up at bad spot. Set the CIBP at 13,075'. Picked up 40' of 4" dump bailer. Tagged up at 11,000'. Could not get bailer to go through bad spot. POOH with bailer Tagged CIBP at 13,078'.

6/24/10 – Spotted 25 sx Class "H" cement from 12,849'-13,075'. Did not have to tag. Spotted 25 sx Class "H" cement at 12,101'. WOC 3 hrs. Tagged cement plug at 11,748'. Spotted 25 sx Class "H" cement at 11,642'.

6/25/10 – Tagged cement plug at 11,462'. Perforated 4 holes at 8700'. Pressured up to 500 psi. Could not pump into perfs. Spotted 25 sx Class "H" cement at 8747'. Tagged cement plug at 8570'. Perforated 4 holes at 5600'.

6/28/10 – Spotted 35 sx Class "C" cement at 5671'. Tagged cement plug at 5131'. Pulled up perf shoe at 4182'. Could not break circulation up surface. Spotted 25 sx Class "C" cement at 4238'.

6/29/10 – Tagged cement plug at 3966'. Tested casing to 500 psi, held good. Perforated 4 holes at 2085'. Broke circulation up surface. Pumped 50 sx Class "C" cement. WOC 2 hrs. Tagged cement plug at 1795'. Shot 4 holes at 354', broke circulation. Pumped 110 sx Class "C" cement, circulated to surface. ND BOP. Topped well off.

7/2/10 – Dug out cellar. Cut off wellhead. Installed dry hole marker. Filled cellar back in and dug out anchors. Cleaned location **WELL IS PLUGGED AND ABANDONED.**

Spud Date:

Rig Release Date:

Approved for plugging of well bore only.
Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

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

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE July 14, 2010

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY [Signature] TITLE STAFF MGR DATE 7-22-10

Conditions of Approval (if any):

Rm.