

Submit 1 Copy To Appropriate District  
Office  
District I – (575) 393-6161  
1625 N French Dr., Hobbs, NM 88240  
District II – (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III – (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV – (505) 476-3460  
1220 S St Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

WELL API NO. 30-015-39673
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1077
7. Lease Name or Unit Agreement Name Steelers BRS State
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Penlon; Bone Spring, East

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>P</u> : <u>660</u> feet from the <u>South</u> line and <u>200</u> feet from the <u>East</u> line Unit Letter <u>M</u> : <u>829</u> feet from the <u>South</u> line and <u>378</u> feet from the <u>West</u> line Section <u>24</u> Township <u>20S</u> Range <u>27E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3341'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: ☐

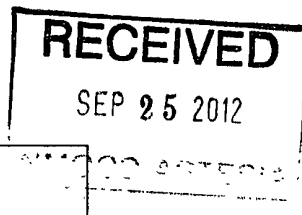
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: Completion Operations ☒

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.

6/27/12 – Tagged DV tool at 5578'. Drilled out and circulated clean. Tested casing to 2000 psi, good. Tagged at 10,703'. Circulated hole with 3% KCL with packer fluid.  
6/28/12 – TIH to 5578', cleaned up DV tool. Ran CBL/VDL/CCL log to surface with 1000 psi on well. Est. TOC 4190'.  
7/1/12-8/22/12 - Perforated Bone Spring 6735'-10,687' (324). Acidized with 47,000g 7-1/2% HCL acid. Frac with 20# Borate XL, total of 52,899 bbls fluid, 2,758,893# 20/40 Jordan Sand and 567,925# 20/40 RCS.  
9/4/12 – Circulated down to 10,690' and circulated hole until clean.  
9/5/12 – Set 2-7/8" 6.4# L-80 tubing at 3258'.



Spud Date: 12/29/11

Rig Release Date: 6/19/12

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE September 21, 2012

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

APPROVED BY: DR Dade TITLE Dist. Rep. Supervisor DATE 9/26/12  
Conditions of Approval (if any):

WELL NAME: Steelers "BRS" State # 1H FIELD: Penlon East  
 LOCATION: (Surf) 660' FSL & 200' FEL, Section 24-20S-27E Eddy County  
 GL: 3,341' ZERO:                      KB:                       
 SPUD DATE: 12/30/11 COMPLETION DATE:                       
 COMMENTS: BHL 600' FSL & 330' FWL API No: 30-015-39673

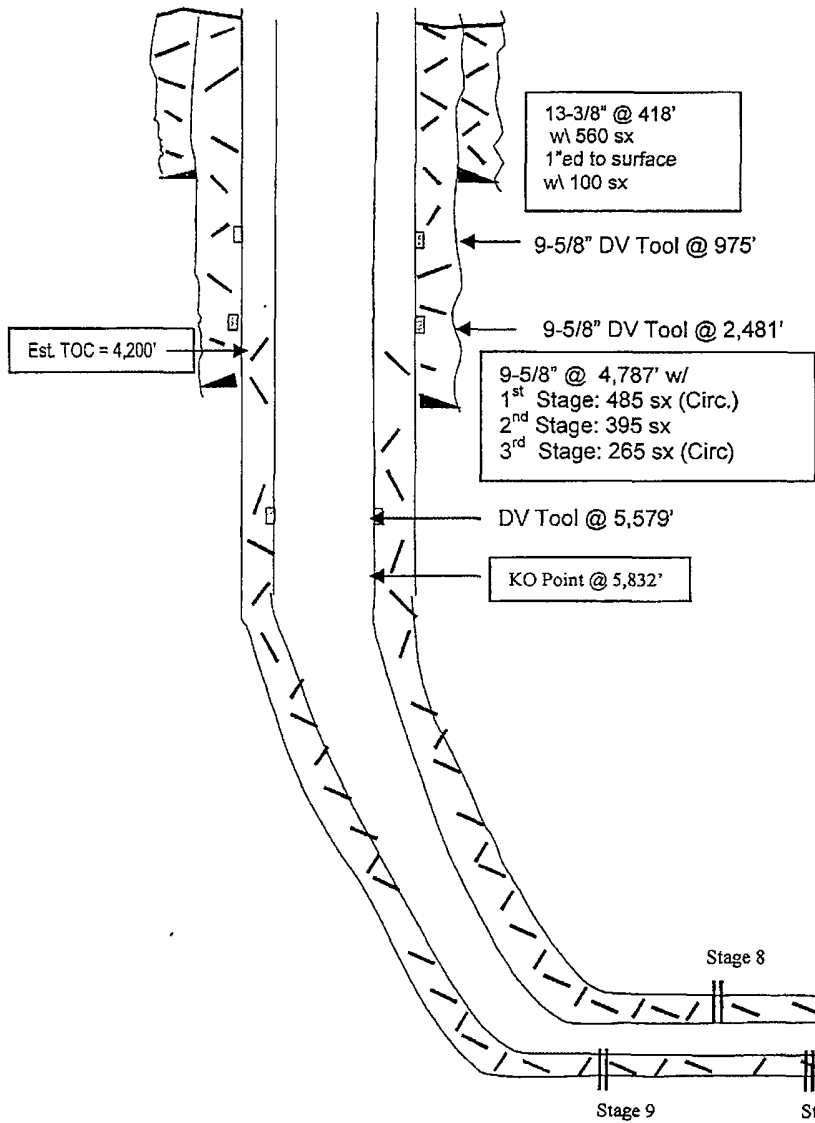
#### CASING PROGRAM

13-3/8" 48# J-55	418'
9-5/8" 36 & 40 # J-55 7 HCK-55	4,787'
Surface	
5.5" 17# P-110 LT&C (5,712')	
5.5" 17# P-110 BT (5,050')	10,785'
Bottom	

**After**

#### STAGES

Stage 1: 10,383' (10), 10,535' (14), 10,687' (12)  
 Stage 2: 9,927' (10), 10,079' (14), 10,231' (12)  
 Stage 3: 9,471' (10), 9,623' (14), 9,775' (12)  
 Stage 4: 9,015' (10), 9,167' (14), 9,319' (12)  
 Stage 5: 8,559' (10), 8,711' (14), 8,863' (12)  
 Stage 6: 8,103' (10), 8,255' (14), 8,407' (12)  
 Stage 7: 7,647' (10), 7,799' (14), 7,951' (12)  
 Stage 8: 7,191' (10), 7,343' (14), 7,495' (12)  
 Stage 9: 6,735' (10), 6,887' (14), 7,039' (12)



TD: 10,785'  
 TVD: 6,362'

Not to Scale  
 6/21/12  
 JMH.