

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

**NM OIL CONSERVATION**  
**ARTESIA DISTRICT**  
**OIL CONSERVATION DIVISION**  
2220 South St. Francis Dr.  
Santa Fe, NM 87505  
FEB 12 2015

RECEIVED

WELL API NO. 30-015-42624
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-1766
7. Lease Name or Unit Agreement Name Spunky BUK State Com
8. Well Number 1H
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; Bone Spring

**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 D : 200 feet from the North line and 660 feet from the West line  
Unit Letter M : 230 feet from the South line and 660 feet from the West line  
Section 2 Township 26S Range 26E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3,380' 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 ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

**SUBSEQUENT REPORT OF:**

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: Production casing ☒

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.

1/21/15 - Drilled to 6,924' KOP and continued drilling directional.  
1/24/15 - Drilled to 7,661' reduced hole to 8-1/2" and resumed drilling.  
1/27/15 - Reached TD 8-1/2" hole to 11,819'. Set 5-1/2" 17# P-110 BT&C casing at 11,819'. Toe sleeve set at 11,802'. Float collar set at 11,815'. Cemented with 450 sacks LiteCrete + 0.1% D046 + 69#/sx D049 + 0.3% D065 + 7#/sx D154 + 0.2% D167 + 2% D174 + 0.05% D208 + 24#/sx D229 + 0.25% D800 (yld 2.85, wt 9.50). Tailed in with 1,392 sacks PVL + 0.2% D046 + 75#/x D049 + 0.1% D065 + 1.5% D174 + 0.04% D208 + 0.3% D238 + 0.4% D800 (yld 1.41, wt 13.00). Circulated 50 sacks to the surface.

Spud Date: 9/16/14

Rig Release Date: 1/28/15

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

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE February 10, 2015

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

**For State Use Only**

APPROVED BY: [Signature] TITLE Dr. R. S. [Signature] DATE 2/13/2015

Conditions of Approval (if any):