

Submit 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 July 18, 2013

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

WELL API NO. 30-015-23585
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Routh Deep SWD
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat SWD; 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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>B</u> : <u>660</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>14</u> Township <u>19S</u> Range <u>24E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,649' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: Repair possible casing leaks <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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.

Yates Petroleum Corporation plans to look for casing leaks for this well. If any are detected plan on isolating as follows:

1. MIRU WSU and all safety equipment necessary.
2. Load the hole as necessary with 2% KCL water or brine. ND head and NU BOP. POOH with 3.5" tubing and nickel plated packer set at 9,300'.
3. Pick up a work string and TIH with RBP and packer to look for and isolate casing leaks.
4. If a leak is detected in the casing isolate it by setting an RBP 150' below the leaks and cap it with 5 sx of sand. Set a retainer 100' above the leaks and squeeze with class H cement with a fluid loss additive. If a positive squeeze pressure is not obtained over displace and re-squeeze.
5. WOC 24-36 hours. Drill out the retainer and cement. Pressure test the casing to 1500 psi, if necessary re-squeeze.

CONTINUED ON NEXT PAGE:

NM OIL CONSERVATION
ARTESIA DISTRICT

Spud Date:

Rig Release Date:

AUG 22 2016

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

RECEIVED

SIGNATURE Laura Watts TITLE Advanced Regulatory Reporting Analyst DATE August 19, 2016

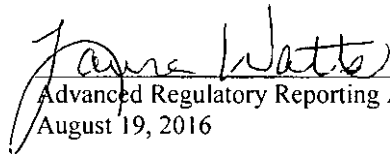
Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272
For State Use Only

APPROVED BY: Rebecca Ingle TITLE COMPLIANCE OFFICER DATE 8/26/16
Conditions of Approval (if any):

Routh Deep SWD #2
Sec 14-T19S-R24E
Eddy County, New Mexico
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Form C-103 continued:

6. After the casing has been pressure tested POOH with all tools. Pick up a new string of 3.5" 9.3# L-80 EUE IPC tubing and TIH with the nickel plated injection packer. Set the packer at +/- 9,300' and perform a mechanical integrity test on the annulus by holding 500 psi for 30 minutes. — **CONTACT OGD TO WITNESS.**
7. Return the well to production.



Advanced Regulatory Reporting Analyst
August 19, 2016