

Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

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

| |
|---|
| WELL API NO. 30-015-38082 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VO-7638 |
| 7. Lease Name or Unit Agreement Name Cassiopeia BQD State Com |
| 8. Well Number 1H |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Hay Hollow; 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

| Surface | B | : | 200 | feet from the | North | line and | 2130 | feet from the | East | line |
|-------------------|----|---|-----|---------------|-------|----------|------|---------------|------|--------|
| BHL | B | : | 330 | feet from the | North | Line and | 2130 | feet from the | East | line |
| Surface - Section | 25 | | | Township | 26S | Range | 27E | NMPM | Eddy | County |
| BHL - Section | 24 | | | Township | 26S | Range | 27E | NMPM | Eddy | County |

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3095'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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Surface and Intermediate casing ☒

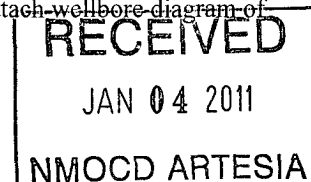
13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

12/3/10 - KOP at 5806' and continued to drill directionally.

12/6/10 - Reduced hole to 8-1/2" and resumed drilling.

12/10/10 - Reached TD 8-1/2" hole to 11,340'.

12/11/10 - Set 5-1/2" 17# HCP-110 L-80 casing at 11,340'. DV tool at 5509'. Float collar at 11,292'. Cemented stage 1 with 1015# PVL + 22.5#/sx D151 + 0.375#/sx D174 + 0.15#/sx D46 + 0.375#/sx D79 + 0.3#/sx D112 + 0.6#/sx D800 (yld 1.81, wt 13). Circulated 15 sx to pit. Circulated 15 sx off of DV tool. Cemented stage 2 with 510 sx 35:65:6 Poz "C" + 0.887#/sx D112 + 0.125#/sx D130 + 27.65#/sx D132 + 5.325#/sx D20 + 4.77#/sx D44 + 61.1#/sx D903 + 0.178#/sx D46 + 2#/sx D42 (yld 2.08, wt 12.6). Calc TOC at 2380'.



Spud Date:

11/17/10

Rig Release Date:

12/13/10

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 December 30, 2010

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

For State Use Only

APPROVED BY David Gray TITLE Field Supervisor DATE 1-4-11

Conditions of Approval (if any):