

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

HOBBS OCD
AUG 26 2013
RECEIVED

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

<p>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.)</p>		<p>WELL API NO. 30-025-40630</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Yates Petroleum Corporation</p>		<p>6. State Oil & Gas Lease No. VO-3524</p>
<p>3. Address of Operator 105 South Fourth Street, Artesia, NM 88210</p>		<p>7. Lease Name or Unit Agreement Name Berry APN State</p>
<p>4. Well Location Unit Letter <u>Box 15</u> : <u>2500</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>East</u> line Unit Letter <u>Lot 12</u> : <u>330</u> feet from the <u>North</u> line and <u>1980</u> feet from the <u>East</u> line Section <u>5</u> Township <u>21S</u> Range <u>34E</u> NMPM Lea County</p>		<p>8. Well Number 3H</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3714' GR</p>		<p>9. OGRID Number 025575</p>
<p>10. Pool name or Wildcat Berry; Bone Spring, North</p>		

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"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Production casing <input checked="" 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.

7/29/31 - Drilled to 10,197' KOP and continued to drill directional.
7/31/13 - Drilled to 10,733' and reduced hole to 8-1/2" and continued drilling.
8/10/13 - Reached TD 8-1/2" hole to 15,541'.
8/12/13 - Set 5-1/2" 17# P-110 buttress casing at 15,528'. Diversion tool/stage tool set at 8815'. Diversion tool/stage tool set at 10,085'. Float collar set at 15,479'. Cemented stage #1 w/ 925 sacks TXI Litewt + 0.2% D046 + 75#/sx D049 + 0.5% D112 + 30% D151 + 1.5% D174 + 0.1% D208 + 0.8% D800 (yld 1.82, wt 13). PD at 7:00 pm. Bumped plug to 1306 psi, held OK. Circulated 154 sacks. Cemented stage #2 w/ 240 sacks TXI Litewt + 0.2% D046 + 75#/sx D049 + 0.5% D112 + 30% D151 + 1.5% D174 + 0.1% D208 + 0.8% D800 (yld 1.82, wt 13). PD at 4:45 am. Bumped plug to 2225 psi, held OK.
8/13/13 - Circulated 123 sacks off top DV tool. WOC. Cemented stage #3 w/ 620 sacks 35:65:6 Poz "H" + 0.3% D013 + 6% D020 + 29#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.1% D065 + 0.125% D130 + 0.1% D208 + 61#/sx D909 (yld 2.06, wt 12.6),

CONTINUED ON NEXT PAGE:

Spud Date: 5/11/13 Rig Release Date: 8/13/13

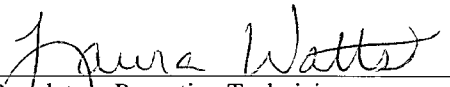
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE August 23, 2013
Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272
For State Use Only
APPROVED BY: [Signature] TITLE Petroleum Engineer DATE AUG 27 2013
Conditions of Approval (if any): AUG 27 2013

Berry APN State 3H
Section 5-T21S-R34E
Lea County, New Mexico
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Form C-103 continued:

8/13/13 – Tailed in w/ 270 sacks 50/50 Poz + 2% D020 + 42#/sx D035 + 3#/sx D042 + 5% D044 + 0.2% D046 + 0.125#/sx D130 + 2% D174 + 0.35% D201 + 47#/sx D909 (yld 1.37, wt 14.4). PD at 12:45 pm. Bumped plug to 3528 psi, held OK.



Regulatory Reporting Technician
August 23, 2013