

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

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-025-37561
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Yates Petroleum Corporation		6. State Oil & Gas Lease No. VO-6276
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Yarrow BHY State
4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>East</u> line Section <u>32</u> Township <u>23S</u> Range <u>33E</u> NMPM <u>Lea</u> County <u>Lea</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,672' GR		9. OGRID Number 025575
10. Pool name or Wildcat Brinninstool; Delaware		

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"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: Plugback and perforate additional Delaware <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input 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 plugback and perforate additional Delaware as follows:

1. NU BOP. Rig up all, safety equipment as necessary.
2. Set a CIBP at 7,248' and cap it with 35' of cement.
3. Perforate 4 squeeze holes at both +/- 5,400' and pump +/- 150 sacks Class "C" cement. Shut in and WOC.
4. Tag cement. If we don't tag anything down to 5,300', POOH. If we tag before that, drill out cement. Need about 75' - 100' rat hole below bottom perf (which will be 5,190') for the pump.
5. Run a CBL log, with 1500 psi on it, to confirm we have cement across the perforation interval and about +/- 200' above and below.
6. Perforate Delaware 5,178' - 5,190' (13 holes).

CONTINUED ON NEXT PAGE:

Spud Date:

Rig Release Date:

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 January 22, 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 Petroleum Engineer DATE 01/25/15

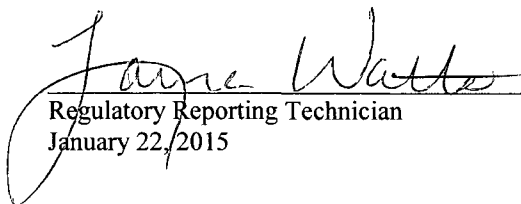
Conditions of Approval (if any):

JAN 29 2015

**Form C-103 continued:**

7. TIH with tubing and packer, spot, break and acidize 5,178' – 5,190' with 2000 gallons 7.5% NEFE acid. Over displace 5 bbls. Pump the acid at 3-4 bpm. Flush to bottom perf with 3% KCL water.
8. Swab test for fracable show and observe fluid entry.
9. If fracable show, and fluid entry is not too high, TIH with 3-1/2" frac string and frac through frac string.
10. Frac 5,178' – 5,190' (13 holes) through 3-1/2" frac string at 20-25 bpm (treating schedule attached).
11. Shut the well in overnight to allow the gel to break and formation to close.
12. Flow the well back if it will flow. Clean out sand to 5,000' or to top of retainer at +/- 5,100'.
13. TIH with production string as per Production Department's specification. Turn well over to production to run pump.

Schematics attached

  
Regulatory Reporting Technician  
January 22, 2015

# Treating Schedule

Stage Number	gal	Prop Conc lb/gal	lbs Proppant		Proppant Type
			Stage	Cumulative	
1	7500.	0.00	0.	0.	Gel Pad
2	14000.	1 - 6	49000.	49000.	20/40 RCS
4	+/-5,178.	0.0	0.	49000.	Flush

**Estimated Surface Treating Pressure @ 25 BPM = +/-3,550 psi.**

WELL NAME: Yarrow BHY St #1 FIELD:

LOCATION: 990' FNL & 990' FEL of Section 32-23S-33E Lea County

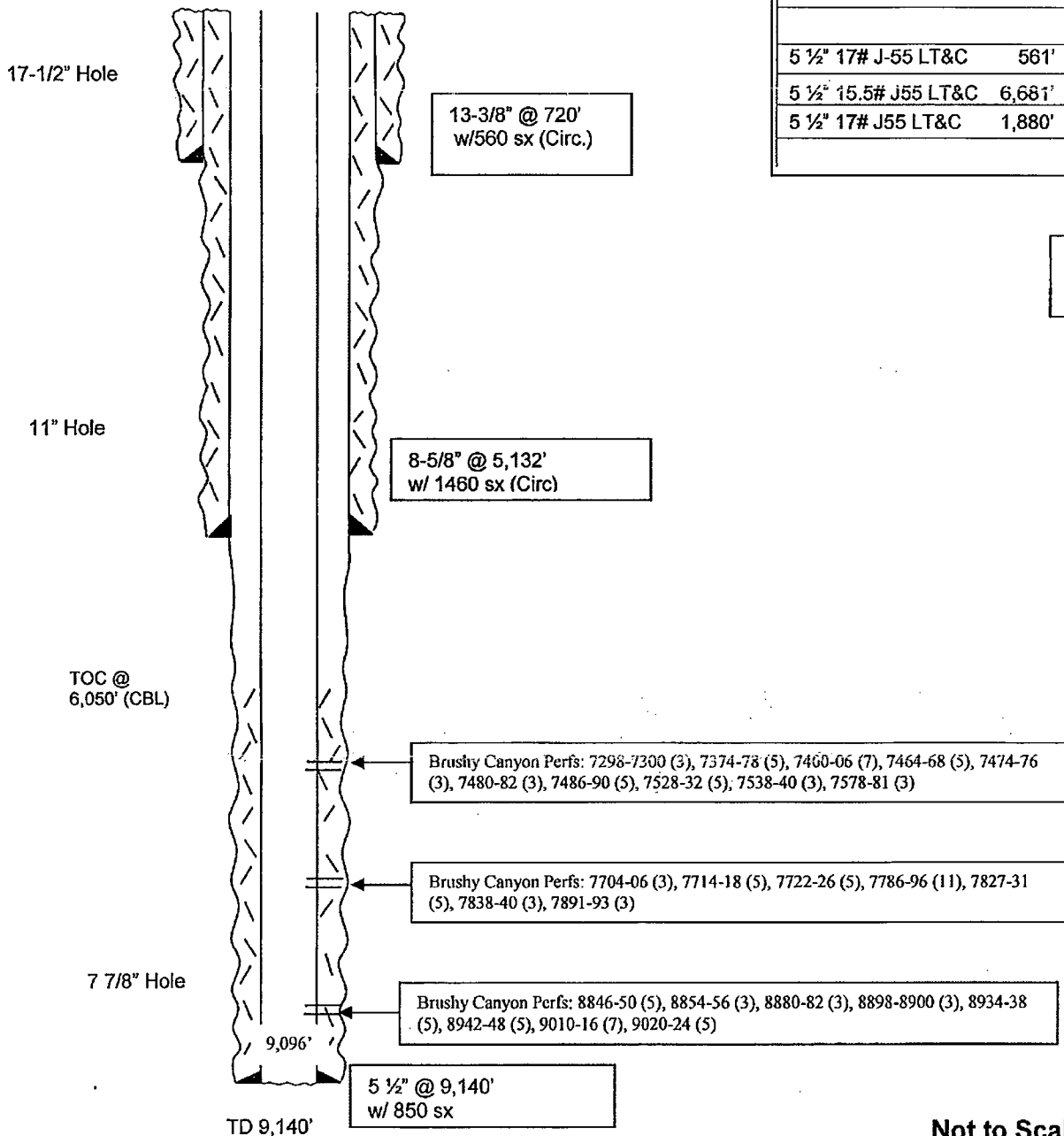
GL: 3672 ZERO: KB: 3689.5

SPUD DATE: 02/26/06 COMPLETION DATE:

COMMENTS: API No. 30-025-37561

#### CASING PROGRAM

13-3/8" 48# H40 ST&C	720'
8-5/8" 32# J55 ST&C	5,150'
5 1/2" 17# J-55 LT&C	561'
5 1/2" 15.5# J55 LT&C	6,681'
5 1/2" 17# J55 LT&C	1,880'
	9,140'



**Before**

**Not to Scale**  
03/20/06  
MMFH

WELL NAME: Yarrow BHY St #1 FIELD:

LOCATION: 990' FNL & 990' FEL of Section 32-23S-33E Lea County

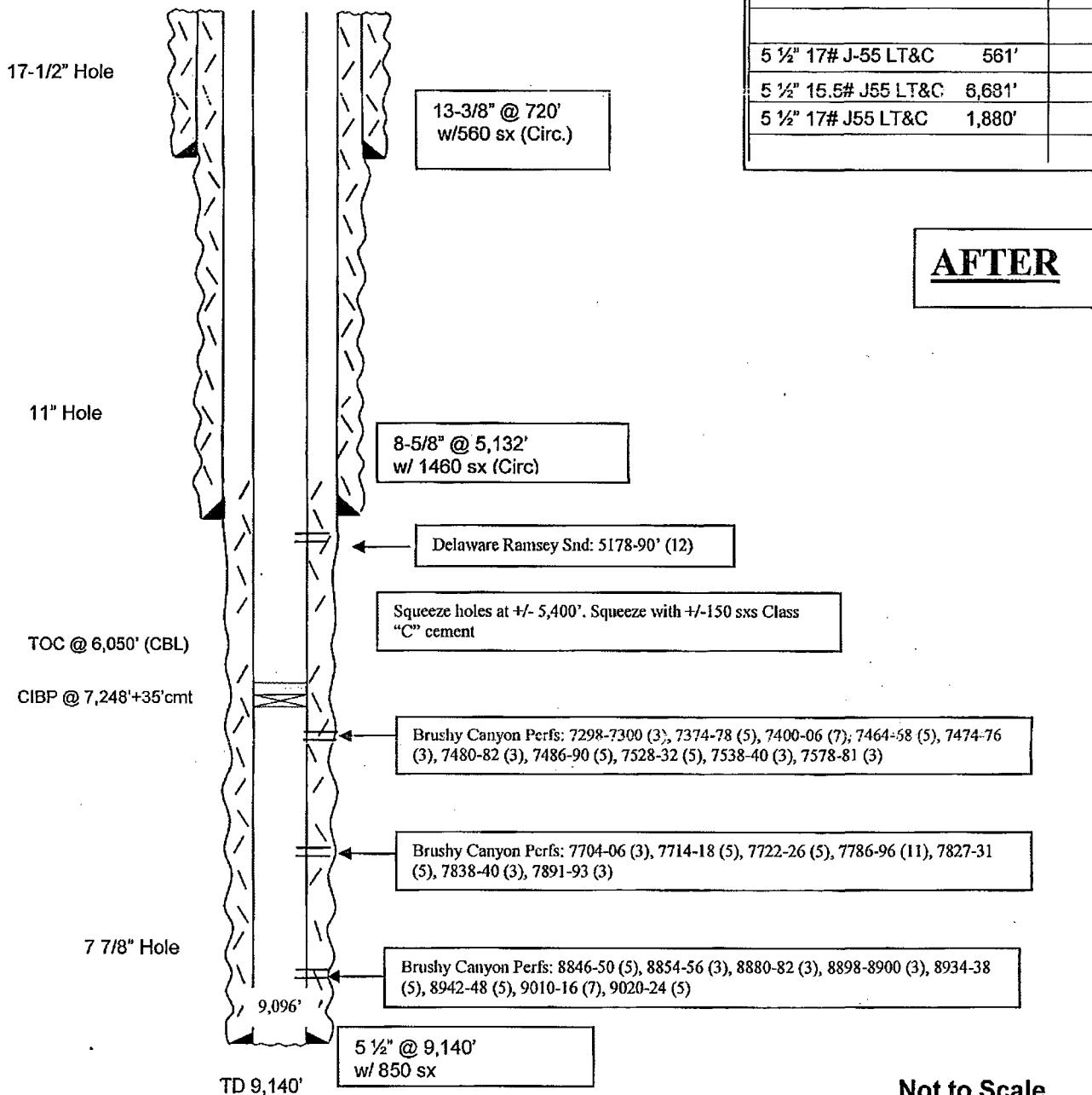
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03/20/06

MMFH