

Submit 1 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 August 1, 2011

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

WELL API NO. 30-015-39470
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6 State Oil & Gas Lease No. VB-0792
7. Lease Name or Unit Agreement Name Shocker SWD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat; 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 <input type="checkbox"/>	RECEIVED FEB 29 2012 NMOCD ARTESIA
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>A</u> <u>1040</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>25S</u> Range <u>29E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2990' 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"/>	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"/>			
OTHER: <input type="checkbox"/>		OTHER: 2 nd Intermediate 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.

1/6/12 - TD 12-1/4" hole to 10,070'.

1/9/12 - Set 9-5/8" 40#, 43.5# N-80, HCK-55, Q-125 LT&C casing at 10,070'. Packer stage tool at 4324'. DV/stage tool at 7201'. Cemented stage 1 with 1040 sx TX1 + 1% D112 + 1.5% D174 + 0.2% D46 + 0.35% D201 (yld 1.42, wt 13). Circulated cement to surface. Cemented stage 2 with 650 sx Class 35:65:6 Poz "C" + 28#/sx D132 + 5% D44 + 61#/sx D903 + 0.2% D46 + 6% D020 + 3#/sx D42 + 0.5% D13 (yld 2.06, wt 12.6). Tailed in with 210 sx PVL + 1% D112 + 1.5% D174 + 75#/sx D49 + 0.2% D46 + 0.35% D201 (yld 1.42, wt 13). Circulated 81 sx to pit. Cemented stage 3 with 440 sx 50/50 Poz "C" + 0.5% D112 + 0.125#/sx D130 + 39#/sx D132 + 5% D44 + 47#/sx D903 + 0.2% D46 + 10% D020 + 3#/sx D42 (yld 2.59, wt 11.8). Followed by 400 sx 35:65:6 Poz "C" + 28#/sx D132 + 6% D20 + 5% D44 + 61#/sx D903 + 0.2% D46 + 3#/sx D42 + 0.5% D13 (yld 2.09, wt 12.6). Tailed in with 200 sx Class "C" + 0.125#/sx D130 + 94#/sx D930 + 0.2% D46 + 3#/sx D42 + 0.2% D13 + 0.1% D65 (yld 6.19, wt 14.8). Circulated 179 sx to pit. Tested casing to 1200 psi for 30 min with no pressure loss. Tagged packer stage tool at 4305'. Drilled DV tool. Circulated. Tested casing to 1200 psi for 30 min, good. Ending pressure 1190 psi. Tagged DV tool at 7178'. Drilled DV tool. Circulated. Tested casing to 1200 psi for 30 min. Starting 1186 psi, ending 1122 psi. Reduced hole to 8-1/2" and resumed drilling.

Spud Date: 12/2/11

Rig Release Date:

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 January 16, 2012

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

For State Use Only

APPROVED [Signature] TITLE Dist. Supervisor DATE 03/02/12
BY: [Signature] TITLE Dist. Supervisor DATE 03/02/12
Conditions of Approval (if any)