

District I - (575) 393-6567
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) 476-9966
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
JUL 16 2012
NMDC ARTESIA

Energy, Minerals and Natural Resources

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

WELL API NO. 30-015-39792
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-6670
7. Lease Name or Unit Agreement Name Doc BHU State Com
8. Well Number 5H
9. OGRID Number 025575
10. Pool name or Wildcat Pierce Crossing; Bone Spring, East

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>O</u> : <u>430</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Unit Letter <u>O</u> : <u>473</u> feet from the <u>South</u> line and <u>2341</u> feet from the <u>East</u> line Surf-Section <u>6</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County BHL-Section <u>5</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3189'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: Completion Operations ☒

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.

5/8/12 - NU BOP. Tagged DV tool at 6963'. Tested to 1500 psi, held good for 10 min.

5/9/12 - Drilled out DV tool and circulated hole clean. Tested casing to 1500 psi for 10 min, held good. Tagged up at 13,541'.

Tagged float collar at 13,683'. Circulated hole clean and tested casing to 3000 psi for 30 min, held good.

5/10/12 - Pickled casing with 500g Zylene and 1200g 15% HCL acid. Pumped 340 bbls 3% KCL with chemical behind acid.

5/13/12 - Logged well from 8220' to surface. TOC at 4196'. Perforated Bone Spring 13,680' (18), 13,550' (18) and 13,420' (18). ND BOP.

6/10/12 - Acidized with 7500g 15% HCL, frac with 20# linear, 20# borate XL, 8346 bbls fluid, 56,300# 100 mesh, 208,316# 30/50 WS, 30,599# 30/50 RCS. Spotted 2500g 15% HCL at 13,355'. Perforated 13,290' (18), 13,160' (18) and 13,030' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8311 bbls fluid, 59,244# 100 mesh, 208,745# 30/50 WS, 30,045# 30/50 RCS. Spotted 2500g 15% HCL at 12,965'. Perforated 12,900' (18), 12,770' (18) and 12,640' (18).

CONTINUED ON NEXT PAGE:

Spud Date:

3/3/12

Rig Release Date:

5/4/12

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE July 13, 2012Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: [Signature] TITLE Dist. H. Spewer DATE 7/18/12

Conditions of Approval (if any):

Form C-103 continued:

6/11/12 – Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8340 bbls fluid, 57,534# 100 mesh, 208,292# 30/50 WS, 38,310# 30/50 RCS. Spotted 2500g 15% HCL at 12,575'. Perforated 12,510' (18), 12,380' (18) and 12,250' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8316 bbls fluid, 59,682# 100 mesh, 206,649# 30/50 WS, 29,948# 30/50 RCS. Spotted 2500g 15% HCL at 12,185'. Perforated 12,120' (18), 11,990' (18) and 11,960' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8283 bbls fluid, 60,386# 100 mesh, 204,263# 30/50 WS, 28,723# 30/50 RCS.

6/14/12 – Pumped down 5-1/2" casing to clear casing of any wire in hole and establish rate and pressure. Pumped 390 bbls 20# linear gel. Spotted 2500g 15% HCL at 11,795'. Perforated 11,730' (18), 11,600' (18) and 11,470' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 7941 bbls fluid, 60,568# 100 mesh, 208,606# 30/50 WS, 31,786# 30/50 RCS. Spotted 2500g 15% HCL at 11,405'. Perforated 11,340' (18), 11,210' (18), 11,080' (18).

6/15/12 - Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8319 bbls fluid, 60,528# 100 mesh, 206,887# 30/50 WS, 35,723# 30/50 RCS. Spotted 2500g 15% HCL at 11,015'. Perforated 10,950' (18), 10,820' (18) and 10,690' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8288 bbls fluid, 63,116# 100 mesh, 208,754# 30/50 WS, 35,976# 30/50 RCS. Spotted 2500g 15% HCL at 10,625'. Perforated 10,560' (18), 10,430' (18) and 10,300' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8302 bbls fluid, 63,250# 100 mesh, 207,240# 30/50 WS, 31,928# 30/50 RCS. Spotted 2500g 15% HCL at 10,235'. Perforated 10,170' (18), 10,040' (18) and 9910' (18).

6/17/12 – Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 6644 bbls fluid, 60,358# 100 mesh, 145,938# 30/50 WS. Spotted 2500g 15% HCL at 9845'. Perforated 9780' (18), 9650' (18) and 9520' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 7726 bbls fluid, 60,567# 100 mesh, 202,489# 30/50 WS, 34,611# 30/50 RCS. Spotted 2500g 15% HCL at 9455'. Perforated 9390' (18), 9260' (18) and 9130' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 7790 bbls fluid, 62,047# 100 mesh, 209,322# 30/50 WS, 34,251# 30/50 RCS. Spotted 2500g 15% HCL at 9065'. Perforated 9000' (18), 8870' (18) and 8740' (18).

6/18/12 – Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 7937 bbls fluid, 56,558# 100 mesh, 208,728# 30/50 WS, 37,623# 30/50 RCS. Spotted 2500g 15% HCL at 8675'. Perforated 8610' (18), 8480' (18) and 8350' (18). Acidized with 2500g 15% HCL, frac with 20# linear, 20# borate XL, 8545 bbls fluid, 71,244# 100 mesh, 151,122# 30/50 WS, 40,242# 30/50 RCS.

6/27/12 – Circulated hole clean down to PBTD at 13,684'.

7/5/12 – RIH with 4.625" GR/JB to 7500'. Set 5-1/2" ASI-X packer with 2.25" F blanking plug in place and 2-7/8" 6.4# L-80 tubing at 7500'. Circulated 180 bbls of packer fluid.

Current wellbore schematic attached


Regulatory Reporting Supervisor
July 13, 2012

WELL NAME: Doc BHU St Com #5H **FIELD**
LOCATION: Unit O, 430' FSL and 2310' FEL (Surf) Sec 6-25S-30E Eddy County

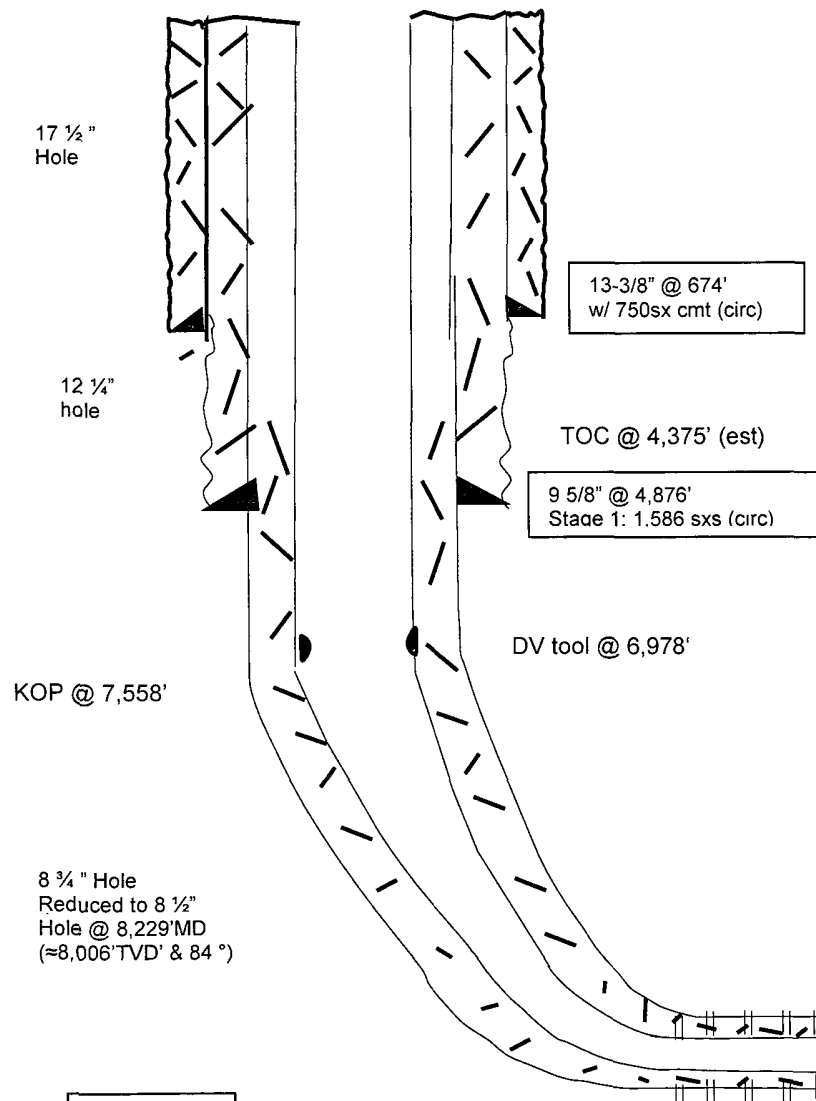
GL: 3189' **ZERO:** **KB:** 3,215.5'

SPUD DATE: 3/3/12 **COMPLETION DATE:**

COMMENTS: API No.: 30-015-39792

CASING PROGRAM

13-3/8" 48# J-55 St&C	674'
9-5/8" 36# & 40# K-55 & HCK-55 LT&C	4,876'
5 1/2" 17# P-110 LT&C & Buttress (Buttress from 8,586' to TD)	13,780'



Formation tops:

Rustler	622'
TOS	919'
BOS	3289'
Bell Canyon	3539'
Cherry Canyon	4409'
Brushy Canyon	5658'
Br. Cny marker	7042'
Bone Springs	7304'
2 nd B Spr snd	9064'

5-1/2" @ 13,780' MD, (8,100' TVD, 92°)
 Stage 1: 1180 sxs cmt (circ)
 Stage 2: 510 sxs cmt

8 1/2" Hole
 8,342'-13,800'

TD: 13,800' MD
 (8,100' TVD)
 FC: 13,688' MD
 92° inc

Not to Scale
 5/4/12
 MMFH

STAGE 14	STAGE 13	STAGE 12	STAGE 11	STAGE 10	STAGE 9	STAGE 8	STAGE 7	STAGE 6	STAGE 5	STAGE 4	STAGE 3	STAGE 2	STAGE 1
8350	8480	8610	8740	8870	9000	9130	9260	9390	9520	9650	9780	9910	10040
10170	10300	10430	10560	10690	10820	10950	11080	11210	11340	11470	11600	11730	11860
11990	12120	12250	12380	12510	12640	12770	12900	13030	13160	13290	13420	13550	13680