

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. 30-015-10340
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal NM-342
7. Lease Name or Unit Agreement Name Monsanto Foster SWD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat SWD; Devonian

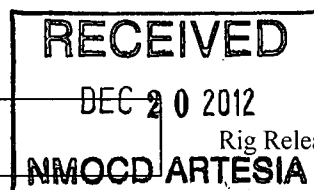
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>West</u> line Section <u>5</u> Township <u>20S</u> Range <u>25E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3531' 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: MIT <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.

10/24/12 - NU BOP. Released packer. Circulated 130 bbls brine water down tubing.
10/26/12 - Set an RBP at 9298'. Loaded hole with 15 bbls brine water. Tested casing to 500 psi. Tested RBP good for 15 min at 500 psi. Casing from 8874' up tested good to 500 psi for 15 min. Isolated holes 8874'-8906'. Pressured up to 500 psi, 200 psi loss in 5 min. Isolated 2nd set of holes at 9169'-9202'. Pressured up to 500 psi and lost 50 psi in 5 min.
10/28/12 - Isolated holes at 8874'-8906'. Pumped 1/2 bbl/min into hole at 2100 psi. Released RBP. Isolated holes at 9169'-9202', pressured up to 2500 psi, lost 400 psi in 5 min. Spotted 2 bbls acid across holes at 9169'-9202'. Pumped 20 bbls fluid total into formation. Spotted 10 bbls 15% HCL acid across holes at 8874'-8906'. Pumped 25 bbls fluid into formation. Tested RBP again at 9267'. Held good to 1000 psi for 5 min. Circulated 100# sand on RBP.
10/29/12 - Started in hole with CICR, hung up at 8151'. Could not work free.
10/31/12 - Tagged up at 8147'. Started milling on CICR for 4 hrs 20 min. Fell out. RIH to top of RBP at 9264', worked over CICR.
11/4/12 - Pumped through retainer and established injection rate at 1.5 BPM at 2100 psi. Pumped a total of 15 bbls fluid.



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 Tina Huerta TITLE Regulatory Reporting Supervisor DATE December 18, 2012

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

APPROVED BY: Richard Ince TITLE Compliance Officer DATE 12/21/12
Conditions of Approval (if any):

Form C-103 continued:

11/5/12 – Established injection rate through retainer at 9100'. Pumping 1 BPM at 2200 psi. Spotted 75 bbls Class "H" cement down tubing. Pumped 20 bbls fresh water after behind casing. Stung into retainer and pumped 4 bbls cement into hole at 9169'-9202'. Pumped 4 more bbls cement into hole. Pumped 3 more bbls cement into hole. Held at 2600 psi. Stung out. Reverse out 75 bbls, 5 bbls cement in returns. Set 5-1/2" CICR at 8820'. TIH with stinger. Tagged up at 8828'. Stung into retainer. Could not establish an injection rate. Pressured up to 3000 psi on tubing and held. Stung out. Circulated 10 bbls down tubing at 1 BPM at 500 psi. Stung back in. Still pressuring up and holding at 3000 psi. Apply 1000 psi on casing, held good for 10 min.

11/6/12 – Tagged CICR at 8820', drilled out in 2 hrs. Circulated clean. Tagged TOC at 9098'. Pressured up on casing.

11/7/12 – Set a CICR at 8800'. Tagged up at 8802'. Stung in and spaced out.

11/8/12 – Tagged up on retainer at 8800'. Milled over retainer. Left bottom cone of retainer in hole. Set a packer at 8809'. Pressured up casing to 1500 psi, held good for 15 min.

11/9/12 – Pressured up casing to 1500 psi. Pumped into formation at 0.8 BPM at 2500 psi. Released packer and spotted 10 bbls 15% NEFE HCL acid. Pulled packer up to 8809'. Reversed out 10 bbls. Set packer and pressured up on casing to 1500 psi. Established injection rate down tubing at 3200 psi at 1.2 BPM. Pumped 20 bbls into formation.

11/11/12 – Released packer. Set a CICR at 8805'. Tagged up at 8805'. Stung into retainer. Established injection rate pumping 1 BPM at 1350 psi. Spotted 75 sx Class "H" Neat cement. Stung into retainer. Apply 1000 psi on casing. Pumped 10 bbls of cement into formation, pumping 1 BPM at 1100 psi. Pressure fell to 695 psi in 5 min. Pumped 2 BPM into formation at 0.2 BPM at 1050 psi. Fell to 950 psi in 5 min. Pumped 1 bbl into formation at 1800 psi. Fell to 1400 psi in 5 min. Pressured up on tubing to 1700 psi, pressure held. Stung out and tried to reverse out. Pressured up on casing to 2000 psi. Could not get cement to move.

11/12/12 – Tagged up on CICR at 262 jts in at 8805'.

11/13/12 – Tagged CICR at 8005'. Drilled out. Drilled cement and fell out at 8885'. Tested casing to 500 psi, held good for 5 min. Pressured up to 1000 psi, held good for 30 min. Lost 25 psi. Tagged CICR at 9100'. Drilled on CICR for 1 hr.

11/14/12 – Tagged CICR at 9105', continued drilling out. Drilled out CICR in 5 hrs. Drilled out to 9110'.

11/15/12 – Tagged cement at 9110'. Drilled out cement. Fell out of cement at 9200'. Tested casing to 600 psi for 30 min, held good.

11/18/12 – Tagged fill at 9256'. Circulated brine and washed sand down to RBP to 9267'. Worked ret tool over packer, released.

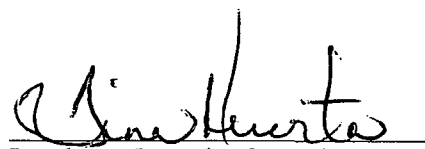
11/19/12 – Worked packer to get it to set at 10,141'. Pressured up on casing. Pressure tested to 600 psi, lost 40 psi in 20 min. Released packer.

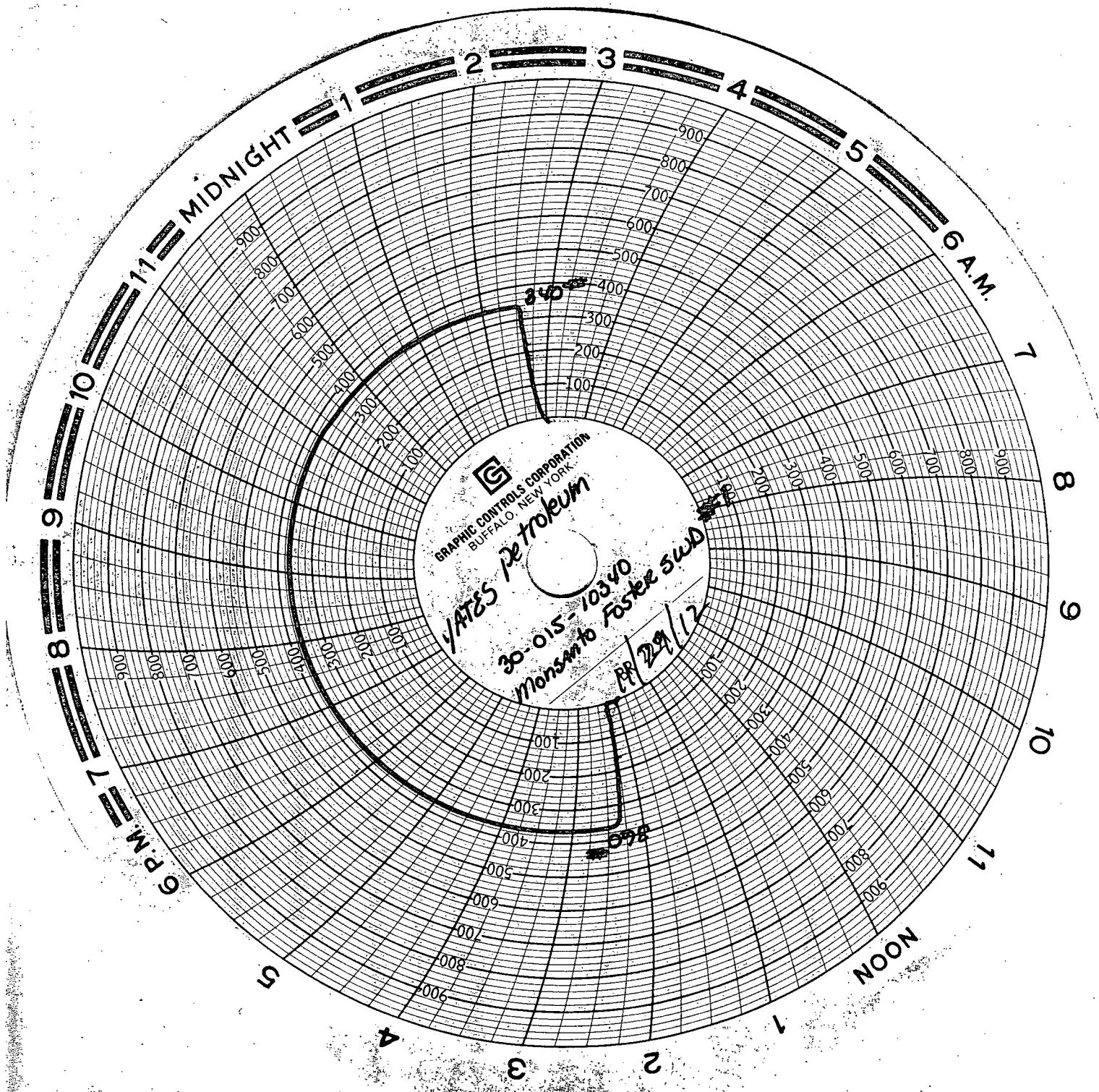
11/26/12 – Tested 3-1/2" 8rd special clearance plastic coated tubing to 3000 psi. Tested 190 jts.

11/27/12 – Tubing tested good. Circulated 180 bbls packer fluid down casing. Set packer at 10,124'. Took 10 bbls packer fluid to load casing. Apply 360 psi on casing, held for 30 min charting test. Lost approximately 20 psi in 30 min.

11/29/12 – Loaded up on casing with 1/2 bbl packer fluid. Tested casing. Isolation valves on pump were leaking. Swapped out valves and tested casing to 360 psi, lost 20 psi in 30 min. Richard Inge with NMOCD-Artesia was not there to witness test but gave approval to run test. Randy Dade at NMOCD-Artesia approved charted test.

Original MIT attached


Regulatory Reporting Supervisor
December 18, 2012



11/29/12

STONE

K-6

MARIO BRIVES