

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 July 18, 2013

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

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.)		WELL API NO. 30-015-32527
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. V-1673
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Lost Tank AIS State
4. Well Location Unit Letter <u>F</u> : <u>2310</u> feet from the <u>North</u> line and <u>2310</u> feet from the <u>West</u> line Section <u>36</u> Township <u>21S</u> Range <u>31E</u> NMPM <u>Eddy</u> County		8. Well Number 7
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,578' GR		9. OGRID Number 025575
10. Pool name or Wildcat Lost Tank; Delaware		

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
 CLOSED-LOOP SYSTEM
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 OTHER: Tested casing

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.

6/22/14 - NU BOP. TOH with production equipment.
 6/23/14 - Set plug at 6,800' and tested casing at several intervals. Isolated and found hole between 5,250' and 5,236'. Retrieved plug and packer and TOH.
 6/24-26/14 - Set composite plug at 5,312', loaded backside and started testing tubing. Found hole on bottom joint. Set packer, pressure tested casing to 4000 psi, no rate, pressure tested to 4500 psi still no rate, release packer. Set packer, circulated well. Spotted acid, released packer. Set packer again, pressure tested casing, spotted acid again. Released packer and TOH. TIH with tubing open ended. Set a 225 Class 'H' Balance Cement plug.
 6/29/14 - Bled well down. Tagged TOC at 4,981' and drilled down to 5,140'. Circulated hole clean.
 6/30/14 - Drill out the last 100' of cement, circulate hole clean. Pressure tested casing to 2000 psi, held ok. Pressure tested casing with chart recorder to 1000 psi for 30 mins held ok.
 7/1/14 - Tagged composite plug and drilled out. 2-7/8" 6.40# J-55 tubing at 7,958'.
 Original chart attached

NM OIL CONSERVATION
 ARTESIA DISTRICT

Spud Date:

Rig Release Date:

JUL 30 2014

RECEIVED

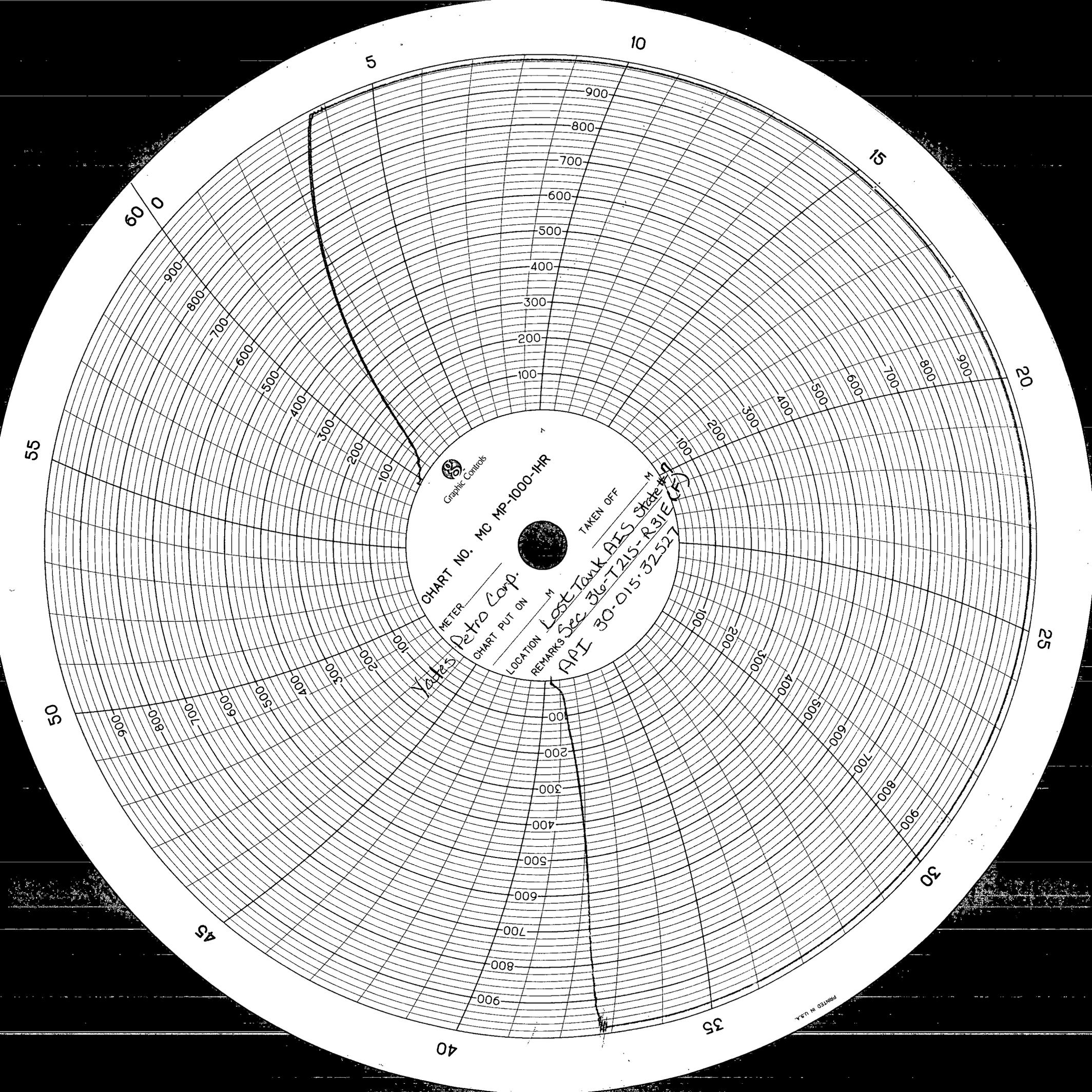
I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Laura Watts TITLE Regulatory Reporting Technician DATE July 29, 2014

Type or print name Laura Watts E-mail address: laura@yatespetroleum.com PHONE: 575-748-4272

For State Use Only

APPROVED BY: [Signature] TITLE Dist. H Supervisor DATE 8-12-2014
 Conditions of Approval (if any):



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CHART NO. MC MP-1000-IHR

METER
Petro Corp.
CHART PUT ON

LOCATION

TAKEN OFF

REMARKS
Lost Tank AIS State PA
See 316-T215-R31E
API 30-015-32527

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