

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
June 19, 2008

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



WELL API NO. 30-015-21643
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cigarillo SWD
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Devonian

<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.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD	
2. Name of Operator Yates Petroleum Corporation	SEP - 8 2008
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	OCDA-ARTESIA
4. Well Location Unit Letter G : 1980 feet from the North line and 1980 feet from the East line Section 36 Township 23S Range 27E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3137'GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> 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"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> 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: Re-entry procedures and production casing <input checked="" type="checkbox"/>
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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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

7/13/08 - Began re-entry procedures.

7/14/08-8/18/08 - Prep to drill cement plugs. Run bit down to 2815'. Tagged shoe plug. Drill 2' cement and circulated clean. TIH with 9-5/8" packer and isolate leak at 300'-310'. Test casing below 310' to 1000 psi, held OK. POH with packer. Circulated 200 sx Class "C" cement with 2% CaCl<sub>2</sub> from 300' up to surface. Circulated 7 sx to pit. WOC 4 hrs. Held good. Continued drilling through plugs down to 12,721' and continued drilling.

8/19/08 - Reached TD 8-3/4" hole at 7:30 AM to 14,195'.

8/22/08 - Set 7" 26#, 32#, 38# casing at 14,195'. Float collar at 14,148'. Cemented stage 1 with 75 sx PVL + 1#/sx D42 + 0.8% D800 + 0.2% D46 + 1.5% D44 + 0.2% D65 + 0.3% D167 (yld 1.42, wt 13). Cemented stage 2 with 1070 sx PVL + 0.3% D167 + 1#/sx D42 + 1.5% D44 + 0.2% D46 + 0.2% D65 + 0.8% D800 (yld 1.42, wt 13). Cemented stage 3 with 910 sx Litecrete + 1% D153 + 0.2% D167 + 2#/sx D42 + 0.2% D46 (yld 3.19, wt 9.9). Tailed in with 100 sx PVL + 0.3% D13 + 0.3% D167 + 1% D44 + 0.2% D65 (yld 1.40, wt 13). Cement circulated to surface.

Spud Date: Re-entry 7/13/08

Rig Release Date: 8/24/08

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

ACCEPTED FOR RECORD

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE September 4, 2008

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

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_

Conditions of Approval (if any): \_\_\_\_\_

Gerry Guye, Deputy Field Inspector  
NMOCD-District II ARTESIA