

Submit 1 Copy 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
October 13, 2009

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

WELL API NO. 30-015-26545
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Sara AHA Com
8. Well Number 3
9. OGRID Number 025575
10. Pool name or Wildcat Dagger Draw; Upper Penn, North

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"/>	RECEIVED FEB 18 2010 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>660</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>11</u> Township <u>20S</u> Range <u>24E</u> NMPM <u>Eddy</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3607'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 checked="" 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 JOBS <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

**Notify OCD 24 hrs. prior
To any work done.**

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.

Yates Petroleum Corporation plans to plug and abandon this well as follows:

1. MIRU WSU. NU BOP. Rig up all H2S and safety equipment as needed. No casing recovery will be attempted.
2. Tag CIBP at 7572' that is capped with 50' of cement. Spot 160' cement plug from 5430'-5590'. This will leave a plug across Wolfcamp top.
3. Spot 140' cement plug from 3366'-3506'. This will leave a plug across Bone Spring top.
4. Spot 120' cement plug from 2054'-2174'. This will leave a plug across Glorieta top.
5. Spot 100' cement plug from 1160'-1260'. WOC and tag plug, reset if necessary. This will leave a plug across surface casing shoe.
6. Spot 150' cement plug to surface. WOC and tag plug, reset if necessary. This will leave 150' surface plug.
7. Remove all surface equipment and weld dry hole marker per regulations.

NOTE: Yates Petroleum Corporation will use steel pits and no earth pits

Spud Date:	<input type="text"/>	Rig Release Date:	<input type="text"/>
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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 February 16, 2010

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

APPROVED BY [Signature] TITLE _____
Conditions of Approval (if any):

Approval Granted providing work
is complete by 5/22/2010 DATE 2/22/2010

WELL NAME: Sara AHA #3 FIELD: Dagger Draw

LOCATION: 660' FEL & 660' FNL of Section 11-20S-24E Eddy Co., NM

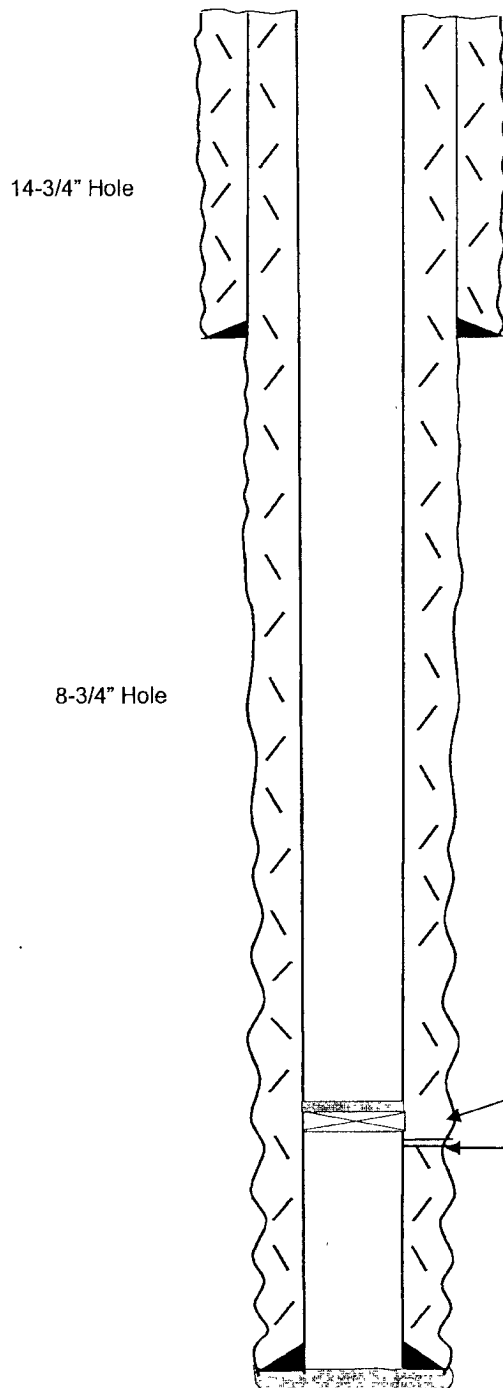
GL: 3,607' ZERO: 18' KB: 3625'

SPUD DATE: 1/10/91 COMPLETION DATE: 2/27/91

COMMENTS: API No.: 30-015-26545

CASING PROGRAM

9-5/8" 36# J-55	1,210'
7" 26# J-55 (122')	
7" 23# N-80 (792')	
7" 23# J-55 (3,972')	
7" 26# J-55 (2,677')	
7" 26# N-80 (237')	7,800



Before

TOPS

SA 541'
Glorieta 2,124'
BS 3,456'
Abo 5,140'
WC 5,540'
Canyon 7,564'

7" @ 7,800' w/1,450 sx (Circ)

Not to Scale
12/10/09
DC/Hill

WELL NAME: Sara AHA #3 FIELD: Dagger Draw

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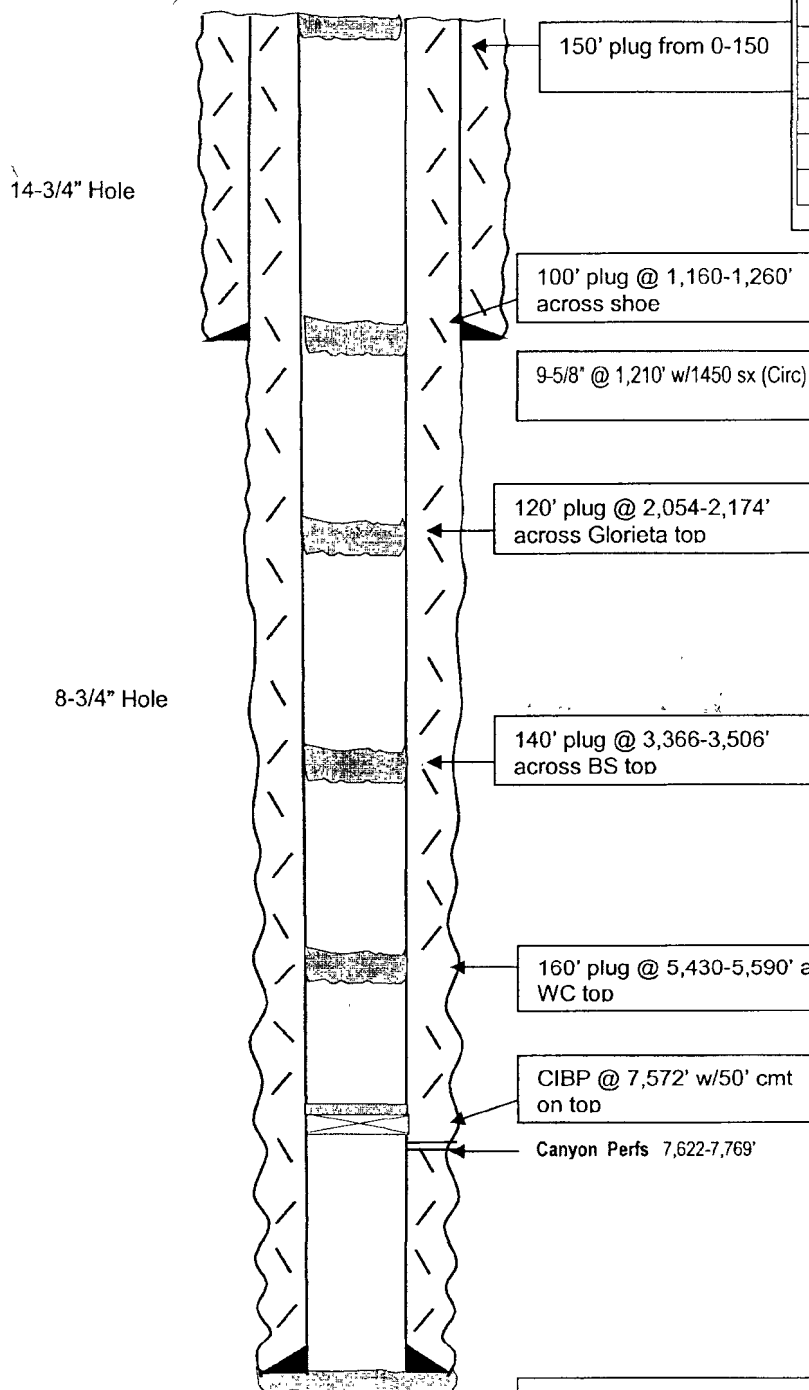
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PBTD: 7,772'
TD: 7,838'

After

TOPS

SA	541'
Glorieta	2,124'
BS	3,456'
Abo	5,140'
WC	5,540'
Canyon	7,564'

Not to Scale
1/4/10
DC/Hill