

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

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. 30-015-37997
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.
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Rudolph ATX State Com
4. Well Location Unit Letter <u>M</u> : <u>330</u> feet from the <u>South</u> line and <u>660</u> feet from the <u>West</u> line Section <u>16</u> Township <u>19S</u> Range <u>31E</u> NMPM <u>Eddy</u> County		8. Well Number 3H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3472' GR		9. OGRID Number 025575
		10. Pool name or Wildcat Lusk; Bone Spring, West

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: Intermediate 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.

11/2/10 – TD 12-1/4" hole to 4185'.

11/4/10 – Set 9-5/8" 36#, 40# J-55 ST&C casing at 4182'. Cemented stage 1 with 650 sx Econocem "H" (yld 1.85, wt 12.9). Tailed in with 200 sx Halcem "C" + 5#/sx Gilsonite + 0.125#/sx Poly-E-Flake + 5% salt (yld 1.33, wt 14.8). Circulated 125 sx to pit. Cemented stage 2 with 1700 sx Econocem "H" + 5# gilsonite + 0.125#/sx Poly-E-Flake + 5% salt (yld 1.85, wt 12.9). Tailed in with 100 sx Halcem "C" (yld 1.33, wt 14.8). Circulated 182 sx to pit. WOC. Cement fell back 28'. Tested casing to 1500 psi. Pour 4 yds cement between 13-3/8" and 9-5/8" casing. WOC 27 hrs 15 min. Reduced hole to 8-3/4" and resumed drilling.

RECEIVED

NOV 15 2010

NMOCD ARTESIA

Spud Date:

7/30/10

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 Compliance Supervisor DATE November 9, 2010

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

For State Use Only

APPROVED BY: Donald Gray TITLE Field Supervisor DATE 11-24-10

Conditions of Approval (if any):