

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. 30-015-38262 ✓
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. VB-0807
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Yaddock BQY State ✓
4. Well Location Unit Letter <u>H</u> : <u>1830</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>East</u> line Unit Letter <u>E</u> : <u>1980</u> feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>36</u> Township <u>25S</u> Range <u>28E</u> NMPM Eddy County		8. Well Number 1H ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2926' GR		9. OGRID Number 025575 ✓
		10. Pool name or Wildcat Rock Spur; Bone Spring

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: Production 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.

3/16/11 – KOP at 6448' and continued to drill directionally.

3/20/11 – Drilled to 7192' and reduced hole to 8-1/2" and continued to drill directionally.

3/24/11 – Reached TD 8-1/2" hole to 11,255'.

3/25/11 – Set 5-1/2" 20# L-80 LT&C casing at 11,255'. DV/stage tool at 5484'. Float collar at 11,171'. Cemented stage 1 with 480 sx 35:65:6 Poz "C" + 6% D020 + 2#/sx D042 + 5% D044 + 0.2% D046 + 1% D112 (yld 2.08, wt 12.6). Tailed in with 560 sx 35:65:6 Poz "C" + 0.2% D046 + 0.5% D079 + 30% D151 + 1.5% D174 + 0.8% D800 + 0.5% D112 (yld 1,83, wt 13). Cemented stage 2 with 480 sx 35:65:6 Poz "C" + 6% D020 + 2#/sx D042 + 5% D044 + 0.2% D046 + 1% D112 (yld 2.08, wt 12.6). Tailed in with 100 sx "C" + 2#/sx D042 (yld 2.08, wt 12.6).

RECEIVED

APR 07 2011

NMOCD ARTESIA

Spud Date:

11/30/10

Rig Release Date:

3/26/11

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 April 6, 2011

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

For State Use Only

APPROVED BY: David May TITLE Field Supervisor DATE 4-7-11

Conditions of Approval (if any)