

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. 30-025-37799
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-2443
7. Lease Name or Unit Agreement Name Lotus SWD
8. Well Number 12
9. OGRID Number 025575
10. Pool name or Wildcat SWD; Delaware
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3553'GR

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 ☐ Gas Well ☐ Other SWD

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter B : 330 feet from the North line and 2310 feet from the East line
Section 32 Township 22S Range 32E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3553'GR

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: Convert to SWD ☒

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.

5/6/10 – NU BOP.

5/9/10 – POOH with tubing. RIH with GR/JB to 6740'. Set a 5-1/2" CIBP at 6720' with 35' cement on top. Loaded and tested with 66 bbls to 2500 psi, good for 15 min. Perforated Delaware 6480'-6500' (21), 6450'-6458' (9), 6390'-6410' (21), 6334'-6340' (7), 6300'-6306' (7) and 6260'-6270' (11).

5/10/10 – Displaced hole with 133 bbls 2% KCL. Acidized Delaware with 2500g 7-1/2% acid. Dropped 100 balls. Good ball action.

5/12/10 – ND BOP.

5/21/10 – Frac well down casing using 25# borate x-linked guar gel. Total load 1921 bbls, total proppant pumped 197,001#. Perforated Delaware 5754'-5766' (13), 5802'-5816' (15), 5870'-5880' (11), 5910'-5930' (21), 5952'-5958' (7), 5970'-5980' (11), 6010'-6020' (11), 6050'-6060' (11) and 6096'-6106' (11). Frac 2nd stage down casing using 25# borate x-linked guar gel. Total load 1916 bbls, total proppant 211,106#.

6/1/10 – Circulated hole clean. Set 5-1/2" AS-1 nickel coated packer and 2-7/8" 6.5# J-55 plastic coated tubing at 5654'. Tested casing to 500 psi, good for 30 min. NOTE: Contact NMOCD-Hobbs, talked to Sylvia Dickey re: intentions to run casing test on 6/3/10 at 8:00 AM. Was told if nobody there, go ahead and run test.

6/3/10 – Pressured casing to 500 psi for 30 min, good. As per NMOCD – bleed well down. Original MIT attached. (Administrative Order SWD-1198)

Spud Date:

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 October 7, 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 STAFF NRE DATE 10-14-10

Conditions of Approval (if any):