

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  
May 27, 2004

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

WELL API NO. 30-005-63502
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 Erma
8. Well Number 2
9. OGRID Number 025575
10. Pool name or Wildcat Wildcat Basement

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 type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 S. 4 <sup>th</sup> 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>1</u> Township <u>10S</u> Range <u>24E</u> NMPM <u>Chaves</u> County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3549'GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐  
CASING/CEMENT JOB ☐

OTHER: Surface and 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

3/2/05 – Resumed drilling at 12:00 AM. Ran 11-3/4" casing. Casing stuck at 686'. NOTE: Pumped down 2 joints from 476'-562'. 2 joint went without pump 562'-648'. Last joint went to 686' and stopped. Hooked up pump and casing was stuck. Work stuck casing. Rigged up Dowell and cemented casing. NOTE: Received permission to cement from Van Barton with Artesia NMOCD. Set 11-3/4" 42# H-40 ST&C casing at 686'. Cemented with 100 sx RFC (10-2-A) + .25#/sx D29 + 5#/sx D24. (yld 1.6, wt 14.2) and 600 sx 35/65 Poz "C" + 6% D20 + 5% D44 + 3% SLF .2% D46 + .25#/sx D29 + 5#/sx D24. (yld 2.1, wt 12.6). Tailed in with 200 sx "C" + 2% S1 (yld 1.32, wt 14.8). Cement circulated to surface. Pressure tested casing to 650 psi for 30 min. WOC 19 hrs 30 min. Reduced hole to 11" and resumed drilling.

3/6/05 – Set 8-5/8" 24# J-55 casing at 1638'. Cemented with 100 sx RFC (10-2-A) + .25#/sx D29 + 5#/sx D24 (yld 1.6, wt 14.2) and 500 sx 35/65 Poz "C" + 6% D20 + 5% D44 + 3% SLF + .2% D46 + .25#/sx D29 + 5#/sx D24 (yld 2.1, wt 12.6). Tailed in with 200 sx "C" + 2% S1 (yld 1.32, wt 14.8). Cement circulated to surface. Pressure tested casing to 1000 psi for 30 min. WOC 18 hrs 15 min. Reduced hole to 7-7/8" and resumed drilling.

RECEIVED

MAR 1 2 2005

OCD-ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE March 10, 2005

Type or print name Tina Huerta E-mail address: tinah@ypcnm.com Telephone No. 505-748-1471

For State Use Only

FOR RECORDS ONLY

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE MAR 1 7 2005

Conditions of Approval (if any):