

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. 30-015-37555
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. VO-7290
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Cheroot BPF State Com
4. Well Location Surface P : 660 feet from the South line and 330 feet from the East line BHL M : 698 feet from the South line and 358 feet from the West line Section 3 Township 25S Range 27E NMPM Eddy County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc) 3191'GR		9. OGRID Number 025575
		10. Pool name or Wildcat Wildcat; 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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Completion Operations ☒

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.

6/2/11 - Tagged at 3970'.

6/5/11 - Drilled out DV tool at 3970' and circulated clean. Tested casing to 3000 psi for 30 min, good. Cleaned up DV tool. RIH with bit to PBTD at 12,509'.

6/6/11 - Tagged at 12,509'. Pickled casing with 1000g 15% acid and displaced hole with 3% KCL. Spotted 2500g 7-1/2% triple inhibited HCL acid. Ran GR/CCL/VDL log from 8400' up to surface with 1000 psi.

6/7/11 - Perforated Bone Spring 12,499' (6), 12,349' (6), 12,199' (6) and 12,049' (6). Frac with 30# borate x-linked gel system, total prop 198,832# 20/40 Jordan, 97,080# 20/40 Super LC.

7/20/11 - Set flow through plug at 11,662'. Pressure tested casing Was pumping 1 BPM @ 1600 psi Pumped 5 bbls and then increased rate to 2 BPM. Was pumping into it at 1700 psi. Pumped 10 bbls. Increased rate to 3 BPM. Was pumping into it at 1850 psi. Pumped 15 bbls for a total of 30 bbls. Pressure dropped to 1750 psi.

8/1/11 - Looked like DV tool was opened up according to log at 3970'. Logged well to surface.

Wellbore Schematic Attached

Spud Date:

2/1/10

Rig Release Date:

5/23/11

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

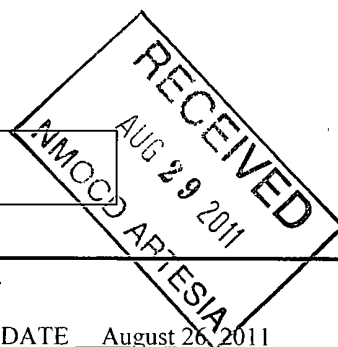
SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE August 26, 2011

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

For State Use Only

APPROVED BY: J. C. Shepard TITLE Geologist DATE OCT 11 2011

Conditions of Approval (if any):



WELL NAME: Cheroot BPF State Com #1H FIELD:

LOCATION: (Surf) 660'FSL & 330'FEL of Section 3-25S-27E Eddy Co., NM

GL: 3191' ZERO: KB:

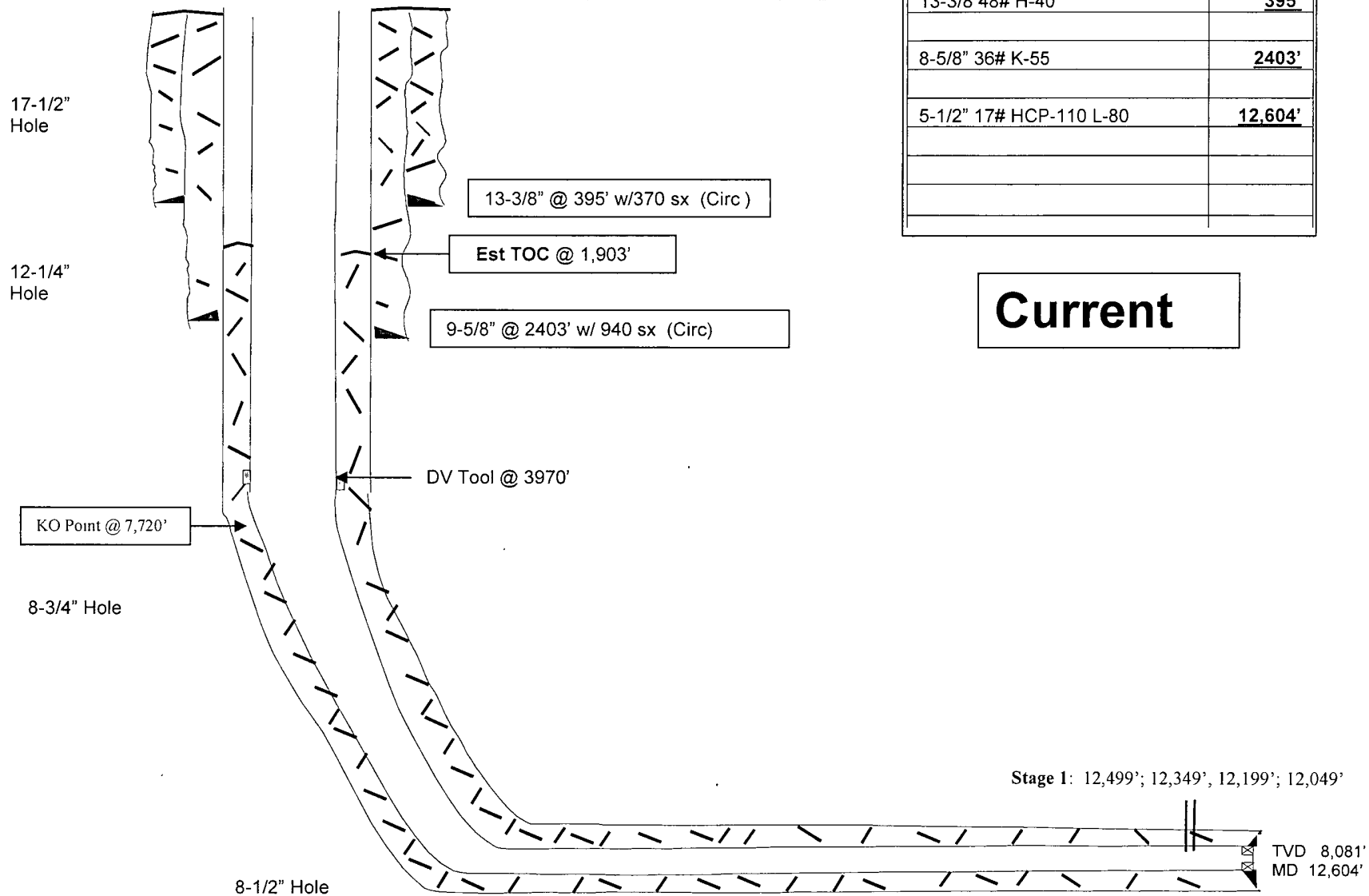
SPUD DATE: 2/1/10 COMPLETION DATE:

COMMENTS: (BHL); 698'FSL & 358'FWL API No. 30-015-37555

CASING PROGRAM

13-3/8 48# H-40	395'
8-5/8" 36# K-55	2403'
5-1/2" 17# HCP-110 L-80	12,604'

Current



5-1/2" @ 12,604'
Stage # 1 w/ 1550 sx (Circ.)
Stage # 2 w/ 440 sx