

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

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

Form C-103
May 27, 2004

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. 30-015-37495
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		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-7347
3. Address of Operator 105 S. 4 th Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Torpedo BOW St. Com
4. Well Location Unit Letter M : 660 feet from the South line and 330 feet from the West line Section 11 Township 25S Range 27E NMPM Eddy County		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3170' GR		9. OGRID Number 25575
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Wolfcamp
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

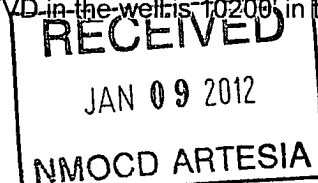
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Yates Petroleum Corporation respectfully requests permission to change the well target depth, pilot hole depth, Pool name, and production casing/cement as follows:

Pilot hole drilled vertically to 10200'. Pilot hole will then be plugged at bottom from 10,200' – 10,000'; kick off plug will be set from 9850' – 9250', then kicked off at approx. 9445' and directionally drilled at 12 degrees per 100' with an 8 3/4" hole to 10192' MD (9923' TVD). If hole conditions dictate, 7" casing will be set at landing point 10,192' (9923' TVD). A 6 1/8" hole will then be drilled to 14,338' MD (9,950' TVD) where 4 1/2" liner with PBR will be set at approx. 9200' to lateral TD. Packers Plus packer port system will be run in lateral. If 7" is not set, then hole size will be reduced to 8 1/2" and drilled to 14,338' MD (9950' TVD) where 5 1/2" casing will be set and cemented with packers and ports in the lateral. Penetration point of producing zone will be encountered at 660' FSL and 804' FWL, 11-25S-27E. Deepest TVD in the well is 10200' in the pilot hole. Deepest TVD in the lateral will be 9950'.

Thank-you,



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 NMOC D guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE [Signature] TITLE Well Planner DATE 01/06/2012

Type or print name Troy M. Peterson E-mail address: tpeterson@yatespetroleum.com Telephone No. 575-748-4378

For State Use Only

APPROVED BY: [Signature] TITLE Geologist DATE 1/9/2012

Conditions of Approval (if any):