

Submit 1 Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N French Dr, Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St, Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd, Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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

WELL API NO. 30-015-39792
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-6670
7. Lease Name or Unit Agreement Name Doc BHU State Com
8. Well Number 5H
9. OGRID Number 025575
10. Pool name or Wildcat Pierce Crossing; Bone Spring, East

4. Well Location Unit Letter <u>O</u> : <u>430</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Unit Letter <u>O</u> : <u>430</u> feet from the <u>South</u> line and <u>2310</u> feet from the <u>East</u> line Surf-Section <u>6</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County BHL-Section <u>5</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3189'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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

OTHER: Intermediate and 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.

4/21/12 – TD 12-1/4" hole to 4876'. Set 9-5/8" 36#, 40# K-55 HCK-55 LT&C casing at 4876'. Cemented with 1226 sx Class "C" cement + 3#/sx D042 + 0.125#/sx D130 + 0.2% D046 + 4% D020 (yld 1.98, wt 12.9). Tailed in with 360 sx Class "C" cement + 3#/sx D042 + 0.125#/sx D130 + 0.2% D046 + 0.2% D013 (yld 1.35, wt 14.8). Circulated 113 sx to pit. Tested casing to 1200 psi for 30 min, good. WOC 21 hrs 35 min. Reduced hole to 8-3/4" and resumed drilling.

4/25/12 – Drilled to 7558' KOP and continued to drill directionally.

4/26/12 – Drilled to 8229' and reduced hole to 8-1/2" and continued drilling.

5/1/12 – Reached TD 8-1/2" hole to 13,800' at 2:45 PM.

5/2/12 – Set 5-1/2" 20# L-80 LT&C casing at 13,780'. DV tool/stage tool at 6978'. Float collar at 13,688'. Cemented stage 1 with 1180 sx TXI Liteweight + 75#/sx D049 + 0.5% D112 + 30% D151 + 1.5% D174 + 0.1% D208 + 0.8% D800 + 0.2% D46 (yld 1.82, wt 13). Opened DV tool at 1080 psi and broke circulation. Circulated 222 sx off of DV tool. Cemented stage 2 with 310 sx 35:65:6 Poz "H" + 0.125#/sx D130 + 28#/sx D132 + 5% D20 + 0.2% D208 + 5% D44 + 61#/sx D909 + 0.2% D46 + 0.2% D201 (yld 2 11, wt 12.6). Tailed in with 200 sx 50/50 Poz + 5% D044 + 0.125#/sx D130 + 39#/sx D132 + 2% D174 + 2% D20 + 0.45% D207 + 5% D44 + 0.1% D800 + 0.2% D46 + 5#/sx D42 + 0.5% D65 (yld 1.36, wt 14). Calc TOC at 4375'. Displaced above DV tool with 3% KCL water + corrosion inhibitor.

Spud Date:

3/3/12

Rig Release Date:

5/4/12

RECEIVED

MAY 15 2012

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

SIGNATURE Tina Huerta TITLE Regulatory Reporting Supervisor DATE May 11, 2012

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

For State Use Only

APPROVED BY: R. Dade TITLE Asst. Reg. Super DATE 05/24/12

Conditions of Approval (if any):