

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. 30-015-33173
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 Kylie AYW
8. Well Number 1
9. OGRID Number 025575
10. Pool name or Wildcat Undes Cass Draw Bone Spring/Cass Draw Delaware

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 ☐ **RECEIVED**

2. Name of Operator
Yates Petroleum Corporation

3. Address of Operator
105 S. 4th Street, Artesia, NM 88210

4. Well Location
Unit Letter K : 1650 feet from the South line and 1980 feet from the West line
Section 13 Township 23S Range 27E NMPM Eddy County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3094'GR

Pit or Below-grade Tank Application ☐ or Closure ☐

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	OTHER: Completion Operations <input checked="" 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.

12/28/04 – Pickle tubing with 600g 15% NEFE acid. Circulated hole with 7% KCL.
12/29/04 – TOC 10,740' CBL.
1/1-2/05 – Pressure tested casing to 1000 psi for 30 min. Perforate Morrow 12,506'-12,516' (61).
1/6/05 – Set 4-1/2" 11.6# cement retainer at 12,450'.
1/7/05 – Unable to pump through retainer or hold pressure on tubing. Seals not holding. TOOH with tubing and stinger. Bottom 2" of stinger was broken off.
1/8-9/05 – Tagged retainer at 12,450'. Drilled retainer and pushed down to TD. Pulled up to 12,400' with bit.
1/10/05 – Set cement retainer at 12,454'. TIH with a retainer stinger and 2-3/8" tubing to a depth of 12,300'.
1/11/05 – Squeezed Morrow 12,506'-12,516' with 100 sx "H" cement with additives. Final squeeze pressure 5000 psi. 88 sx cement pumped into formation.
1/12/05 – Perforate Morrow 12,364'-12,388' (145).
1/14-16/05 – Acidize Morrow 12,364'-12,388' with 1000g 7-1/2% IC MSA.

CONTINUED ON NEXT PAGE:

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 August 9, 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** **AUG 15 2005**

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any): _____

Yates Petroleum Corporation
Kylie AYV #1
Section 13-T23S-R27E
Eddy County, New Mexico

Form C-103 continued:

1/18/05 – Set 4-1/2" 11.6# cement retainer at 12,315'.

1/19/05 – Unable to pump thru retainer.

1/20/05 – Tagged cement retainer at 12,315'. Drilled retainer and circulated down to 12,400'.

1/22-23/05 – Set cement retainer at 12,318'. Squeezed Morrow 12,364'-12,388' with 125 sx "H" with fluid loss. Pumped 108 sx into formation.

1/24/05 – Perforate Morrow 11,960'-11,964' (9), 12,090'-12,094' (9), 12,100'-12,102' (5), 12,146'-12,148' (5), 12,174'-12,178' (9), 12,206'-12,208' (5) and 12,264'-12,266' (5) for a total of 47 holes.

1/27/05 – Acidize Morrow 12,264'-12,266' with 90g 7-1/2% MSA acid. Acidize Morrow 12,206'-12,208' with 90g 7-1/2% MSA acid. Acidize Morrow 12,174'-12,178' with 270g 7-1/2% MSA acid.

1/28/05 – Acidize Morrow 12,146'-12,148' with 90g 7-1/2% MSA acid. Acidize Morrow 12,100'-12,102' with 90g 7-1/2% MSA acid. Acidize Morrow 12,090'-12,094' with 270g 7-1/2% MSA acid. Acidize Morrow 11,960'-11,964' with 270g 7-1/2% MSA acid.

2/4-6/05 – Set 4-1/2" 11.6# CIBP at 11,915' with 35' cement on top. Cut 4-1/2" casing at 10,600'.

2/7/05 – Work 4-1/2" casing several hours. Pulled up to 170 pts on casing (casing weight 123,000#). Casing would not separate. Broke out 2' of casing and installed a 6' x 4-1/2" 11.6# sub. Cut 4-1/2" casing at 10,600' with 150,000# pulled into casing string. Casing did not separate. NOTE: Shot casing in the same place as before (10,600').

2/8/05 – Worked 4-1/2" casing. Unable to separate casing. NOTE: Cut 2 times at 10,600'. Freepoint showed casing not free from 10,600' to 9500'; 40% free at 9450'; 60% free at 9400'; and 100% free at 9350'. Cut casing at 9359'. Unable to pull casing. Cut casing again at 9276'. Worked casing until casing separated.

2/14/05 – Spotted a 200 sx plug of cement across casing cuts at 10,600'. Pulled up to a depth of 9521'. Spotted 50 sx net cement from 9521'-9220' (top of 4-1/2" shot off casing at 9276'). Have 55' of cement above casing top in 7" casing.

2/15/05 – TOC at 2442' CBL. Perforate Bone Spring 7550'-7570' (84) and 7600'-7608' (36).

2/16/05 – Acidize Bone Spring 7600'-7608' with 1000g 7-1/2% HCL acid. Acidize Bone Spring 7550'-7608' with 2000g 7-1/2% HCL acid with 75 ball sealers.

2/23/05 – Frac Bone Spring 7550'-7608' with a waterfrac with 911 bbls fluid, 76,300# 20/40 RCS.

2/28/05 – Set RBP at 5990'. Spotted 20' sand on top of RBP. Perforate Delaware 5552'-5554' (3), 5568'-5572' (5), 5616'-5626' (11), 5686'-5692' (7), 5698'-5710' (3), 5730'-5732' (3) and 5756'-5760' (5) for a total of 47 holes.

3/1/05 – Frac Delaware 5552'-5760' with a waterfrac with 1616 bbls fluid, 50,000# 20/40 Expedite and 100,000# 16/30 Expedite. Pumped 3000g 7-1/2% NEFE acid ahead of frac.

3/3/05 – Perforate Delaware 5092'-5112' (21).

3/4/05 – Acidize Delaware 5092'-5112' with 1000g 7-1/2% HCL acid.

3/15/05 – Released RBP at 5990'. Set packer at 5040'.

WELL IS NOW COMMINGLED BONE SPRING AND DELAWARE EFFECTIVE 8/2005. DHC-3418