

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

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. 30-015-34031
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-5053
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210		7. Lease Name or Unit Agreement Name Blackbird BKR State
4. Well Location Unit Letter <u>H</u> : <u>1650</u> feet from the <u>North</u> line and <u>660</u> feet from the <u>East</u> line Section <u>32</u> Township <u>16S</u> Range <u>28E</u> NMPM <u>Eddy</u> County		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3592'GR		9. OGRID Number 025575
10. Pool name or Wildcat Grayburg Jackson; 7 Rivers QU-GB-SA		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

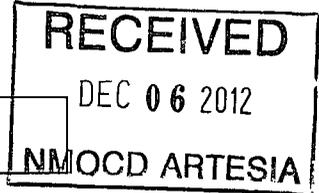
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Plugback and recomplete <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

11/25/12 - NU BOP.
 11/26/12 - Set a CIBP at 3300', dumped 1 bailer of cement. Dumped 2nd bailer of cement on top of CIBP. Set a 2nd CIBP at 2260'. Tested to 1000 psi down to 500 psi in 12 min. 11/27/12 - Tagged CIBP at 2260'. Tested casing to 1000 psi, good. Tested CIBP to 1000 psi in 12 min down to 500 psi, good. Dumped 2 bailers of cement on top of CIBP. Perforated Grayburg 1896'-1918' (44). Acidized with 3500g 15% HCL acid.
 12/2/12 - Set a CIBP at 1880' with 35' cement on top. Tested to 1000 psi for 15 min, good. Perforated Queen 1688'-1704'. Acidized with 2000g 15% HCL acid, dropped 40 balls.
 12/5/12 - Set a CIBP at 1680' with 35' cement on top. Tested to 1000 psi for 30 min, good. Perforated Penrose 1354'-1418' (57). Acidized with 1500g 7-1/2% Morrow type acid. Dropped 100 balls, balled out with 100 on. ASI-X packer and 2-7/8" 6.4# L-80 tubing at 1272'.

Recompletion unsuccessful, plan to plug and abandon the well.

Spud Date: Rig Release Date:



File C105

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 December 6, 2012

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

For State Use Only

APPROVED BY: *RP Dade* TITLE *Dist R Supervisor* DATE *12/11/2012*

Conditions of Approval (if any):