

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

RECEIVED

APR 22 2013

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

NM OCD ARTESIA

WELL API NO.

30-015-36070

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

VO-7523

7. Lease Name or Unit Agreement Name

Thurman Draw Unit

8. Well Number

1H

9. OGRID Number

025575

10. Pool name or Wildcat

Wildcat; Bone Spring

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

2. Name of Operator

Yates Petroleum Corporation

3. Address of Operator

105 South Fourth Street, Artesia, NM 88210

4. Well Location

Unit Letter C : 1200 feet from the North line and 1850 feet from the West line

Section 16 Township 26S Range 23E NMPM Eddy County

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

4341'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 COMPLETIONS ☐

DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Squeeze Delaware, back to original Bone Spring ☒

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.

3/17/13 - NU BOP. Set cement retainer at 3380'. Screw out of retainer. Sting back in retainer. Pumped 20 bbls 2 BPM at 550 psi.
3/18/13 - Took 2 bbls to load tubing. Established injection rate pumping 2 BPM at 1100 psi into formation. Batch mix 50 sx Class "C" with 1.5% Calcium followed by 50 sx Class "C" Neat cement. Pumped into perfs at 3420'-3435'. Got squeeze pressure of 800 psi. Sting out, reverse out got back about 1 bbl cement. Set cement retainer at 2963'. Established injection rate pumping 3 BPM at 1050 psi. Batch mix 100 sx Class "C" with 2% Calcium. Pumped into formation and hesitate. Pumped 50 sx Class "C" Neat cement. Hesitate. Pumped 50 sx Class "C" cement and displaced to retainer. Squeeze pressure was 900 psi. Reverse circulated clean and TOO H.
3/19/13 - Tagged up on cement at 2949'.
3/20/13 - Tagged up at 2949'. Drilled down and tagged retainer at 2954'. Drilled out and continued drilling cement down to 3041'. Circulated hole clean.
3/21/13 - Drilled on cement. Fell out at 3210'. Circulated clean. Tested casing to 500 psi for 30 min, good. Tagged cement at 3367'. Drilled out cement to retainer at 3370'. Drilled out retainer. Drilled out cement to 3420'. Circulated hole clean.

CONTINUED ON NEXT PAGE:

Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE

Regulatory Reporting Supervisor

DATE

April 18, 2013

Type or print name

Tina Huerta

E-mail address:

tinah@yatespetroleum.com

PHONE:

575-748-4168

For State Use Only

APPROVED BY:

TITLE

Dis. H. Spewer

DATE

4/24/2013

Conditions of Approval (if any):

Form C-103 continued:

3/24/13 – Drilled out cement. Fell out at 3437'. Circulated hole clean. Tested casing to 500 psi for 15 min. Dropped to 190 psi. Lost 360 psi. RIH with packer below perfs. Tested RBP to 500 psi, good. Pulled packer above 3420'-3435' to 3389'. Set packer. Tested 5-1/2" casing to 500 psi, good. Tested perfs 3420'-3435' down tubing to 1000 psi in 2 min down to 0 psi. Spotted 55 sx Class "C" cement. ND BOP. Pressured casing to 2000 psi.

3/25/13 – RIH with tubing to 3444'. Spotted 55 sx Class "C" cement with 1% Calcium at 14.8 psi. Displaced with 16.8 bbls. Top of cement at 2903'. Reverse circulated 58 bbls of fresh water. Close 5-1/2" casing valve. Pumped down tubing. Squeezed with 3/4 bbls to 2000 psi, good.

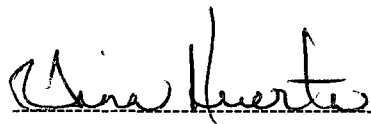
4/1/13 – NU BOP. TOO H with tubing. Tagged cement at 2969'. Tested 5-1/2" 17# casing to 500 psi, held good. Drilled cement down to 3007'. Circulated hole clean.

4/2/13 – Drilled cement down to 3234'. Tested 5-1/2" 17# casing to 500 psi, held good. Drilled cement down to 3332'. Circulated hole clean. Tested casing from surface to 3332' to 500 psi, held good.

4/3/13 – Drilled cement down to 3437' and fell out of cement. Circulated hole clean. Tested casing from surface to 3610' to 500 psi, held good.

4/5/13 – Tested casing to 500 psi for 30 min, good. Circulated sand off of RBP at 3610'. Circulated hole with brine water. Released RBP. Set 5-1/2" AS-1 packer and 2-7/8" L-80 tubing at 3602'. ND BOP. Tested annulus to 500 psi, held good.

WELL IS BACK TO ORIGINAL BONE SPRING AND IS STILL SIWOPL



Regulatory Reporting Supervisor
April 18, 2013