

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
June 19, 2008

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

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|---|
| WELL API NO. 30-015-36605 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VA-2974 |
| 7. Lease Name or Unit Agreement Name Canyon BJK State |
| 8. Well Number 1Y |
| 9. OGRID Number 025575 |
| 10. Pool name or Wildcat Wildcat; Bone Spring |

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|--|-------------|
| 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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> | |
| 2. Name of Operator Yates Petroleum Corporation | OCT 06 2008 |
| 3. Address of Operator 105 South Fourth Street, Artesia, NM 88210 | OCD-ARTESIA |
| 4. Well Location Unit Letter <u>A</u> : <u>330</u> feet from the <u>North</u> line and <u>360</u> feet from the <u>East</u> line Section <u>1</u> Township <u>25S</u> Range <u>29E</u> NMPM <u>Eddy</u> County | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3140'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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Intermediate 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

9/21/08 - Set 8-5/8" 24#, 32# ST&C casing at 3250'. Cemented with 860 sx 35:65:6 Poz "C" + 0.125#/sx D130 + 6% D20 + 1% S1 + 3#/sx D42 (yld 1.96, wt 12.6). Tailed in with 200 sx Class "C" + 0.1% D13 (yld 1.32, wt 14.8). Cement circulated to surface. Tested casing to 1500 psi for 30 min. WOC 24 hrs. Reduced hole to 7-7/8" and resumed drilling.

ACCEPTED FOR RECORD

OCT 7 2008

Gerry Guye, Deputy Field Inspector
NMOCD-District II ARTESIA

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 Tina Huerta TITLE Regulatory Compliance Supervisor DATE October 2, 2008

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

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):