

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



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

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	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
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.

10/7/08 - Reached TD 7-7/8" hole 9320' at 4:30 AM.

10/8/08 - Set 5-1/2" 15.5#, 17# J-55 LT&C casing at 9310'. Float collar at 9269'. Cemented with 500 sx PVL + 2#/sx D42 + 0.2% D46 + 1.33% D44 + 0.4% D13 + 0.2% D65 + 0.3% D167 (yld 1.42, wt 13). Tailed in with 300 sx Litecrete + 2#/sx D42 + 0.2% D46 + 1% D153 + 0.2% D167 (yld 3.19, wt 9.9) and 100 sx PVL + 0.1% D13 + 1.33% D44 + 0.2% D65 + 0.3% D167 (yld 1.40, wt 13).

ACCEPTED FOR RECORD

OCT 29 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 27, 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):